

**INSIDE: Easing an iron grip in turbulent Pakistan**

# Maclean's

MARCH 11, 1985

CANADA'S WEEKLY NEWSMAGAZINE

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## The Holocaust Trial

**E**rnst Zundel walked out of a Toronto courtroom last week, convicted of falsely claiming that the Holocaust was an elaborate hoax. By then the trial of a single propagandist had escalated into a macabre inquest into the Twentieth Century's most shameful event.





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#### COVER

##### The Holocaust trial

Reut Zandl, a 60-year-old Toronto publisher, faces two years in prison because a jury last week found him guilty of willfully spreading false news about the Holocaust. The seven-week trial has divided the Jewish community and raised concerns about infringing on freedom of speech. Zandl says the publicity made his loss worthwhile. —Page 42

COVER PHOTO BY ANDY HARRIS/CANADIAN PRESS



##### Mulroney's first shuffle

In his first cabinet shuffle, Prime Minister Brian Mulroney named Erik Nielsen as defence minister and there were rumors about other changes. —Page 10



##### A high roller goes solo

Myk Jagger, rock 'n' roll's perennial bad boy, is now a devoted 45-year-old father, and a new mellowness and respect for women pervade his first solo album. —Page 33



##### Mixed signals for the general

After more than seven years of martial law, Pakistan's Gen. Zia-ul-Haq held elections. The turnout was high, but six cabinet ministers were defeated. —Page 29



##### Negotiating an oil deal

As the March 11 deadline loomed in the critical Oka-Alberta energy talks there were questions about the Tories' ability to keep their election pledges. —Page 20

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## Facing the facts

Regarding "Liberals don't mess with facts" (Column, Feb. 26) I would like to thank you for the excellence of your shooting service. Not all have treated the celebrated *Sliverx*-Duff affair as fairly as the headlines give of Canada's only national newspaper, *Maclean's*, and Canada's only national news service, *Southern News*—an Allen Fotheringham. The only photographic record of that event appeared in *Maclean's* magazine in 1986. These pictures were not aired on television until multimedial producers Cameron Graham and Brian Nolan animated the *Maclean's* pictures into a highly revealing and sensitive tv vignette. Immediately after the event in question I spent at least six months of my life having my head examined for telltale lesions by famous physicians: Ron Wyatt—Norman DePue, Stanley Burke, Tom Gault, Michael MacLean and Kenneth Williams—all concluded I had been beaten about on my skull. They were quite wrong. Had that rather painful situation occurred, I would not be healthy enough to tell this tale now. My sincerest thanks to Fotheringham and to *Maclean's* for getting my side of the story right, twice.

CSC, Current Affairs,  
Toronto

## The order of things

Regarding your review of *A Planet for the Taking* narrated by David Suzuki ("The animal that conquered a planet," television, Feb. 13), I would like to see a decision over credits if it was as a man-

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David Suzuki: manager, not a martyr

ager, not a martyr. Masked possession a dominant position in the natural order, but it does not give him the "right to do what [he] wants with the earth—and thus the consequences." Our environmental problems lie not in the blindly sanctioned doctrine of the dominance of mankind over creation but in the misinterpretation and misapplication of that doctrine by those who understand it least. —REV. FRANK WOOD, Arthur, Ont.

## Death of ideas

Your Feb. 18 *Canada* article "Bennett's uncertain future" stated quite erroneously that "Hilbustering is the 22-member legislative caucus that up the 57-seat legislature before Bennett adjourned it last May." There was no Hilbustering engaged in by the NDP. The reason for the adjournment was simply that the Social Credit government had no further business to introduce in May of last year because it had run out of ideas. —FRANK WOOD, Victoria

## A national interest

In "The artists fight the state" (The Arts, Feb. 18) you write: "But Mayor Moore may be someone that nationalism does not apply to/future." Doubtless I've said some silly things in my life, but that isn't one of them. What I have said, and frequently, is that the words "national" and "international" are often misused when applied to certain aspects of the arts. I'm sorry to have to add that your article confirms my observation.

—NORVA BLOOM,  
Nanaimo

Letters are edited and may be condensed. Writers should supply name, address and telephone number. Mail correspondence to: Letters to the Editor, *Maclean's* magazine, Mail Room (Room 404), 777 Bay St., Toronto, Ont. M5R 1A7.

## PASSAGES

**DEED** Henry Cabot Lodge, 82, former Republican party vice-presidential candidate, U.S. senator and diplomat who served presidents Dwight Eisenhower, John Kennedy and Lyndon Johnson during a political career that began when he was elected to the lower chamber of the Massachusetts state legislature in 1882, after a long illness, at his home in Beverly, Mass. Elected to the Senate in 1906, Lodge held the seat until he resigned to join the army in 1916. He returned to the Senate after the Second World War but lost his seat to Kennedy in 1962. In 1962 Eisenhower appointed him to his cabinet and to the United Nations as U.S. ambassador, a position he held until he ran unsuccessfully for Richard Nixon's ticket as vice-presidential candidate in 1968. In 1962 Kennedy appointed him to the first of his two postings as ambassador to South Vietnam. He resigned from the post after a year, following the murder of President John F. Kennedy and his brother John. He died in 1966. He was 82.

**DEED** Veterans journalist Eric Hutton, 35, who was an editor at *Maclean's* from 1964 until he retired in 1968, after a long illness, at the Wellesley Hospital in Toronto. Born in Trinidad, Hutton came to Canada and joined the staff of *The Toronto Star* in 1959. After 17 years with the *Star* he left to become associate editor of the now-defunct *Magazine Digest*. Between 1960 and 1964 he held the position of editor of *E.P. Taylor's National Post*. Hutton, information director for the National Council Institute and editor in chief of *Maclean's* magazine. During his 40-year career Hutton prepared a large body of journalistic work and he also ghostwrote *The Course of the Earth* by Morag, Arthur Hutton's book about his father, First World War hero Billy Bishop.

**DEED** Rock musician David Crosby, 45, who was free on bond while awaiting an appeal of a five-year jail sentence for possession of cocaine and carrying a loaded gun in a Dallas nightclub. After an "evict" comment in a satirical treatment center, he got away from his attorney during a walk around the grounds and fled in a car that had been waiting near Fair Oaks Hospital in Summit, N.J. Judge Paul McDowell sentenced Crosby, a member of the famous rock group Crosby, Stills and Nash, to the Dallas charges in 1983 and ordered him to enter the treatment center after he was arrested in California last year on another drug charge.

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# Atlanta's long nightmare

By Bob Levine

As Rogers remembers, the 16-year-old son, Patrick, walked his brother to an Atlanta bus stop and never came home. And she remembers how, 91 days later, Patrick's clothed body was pulled from the Chattahoochee River, another victim for the growing police list of murdered or missing young blacks. Now, following the controversial CBS TV movie *The Atlanta Child Murders*, she is glad that the rest of America is remembering too. "Atlanta officials keep talking about the pictures opening up old wounds," said Rogers, 49. "But have you open up old wounds when they've never been closed?"

For Atlanta, the sensational skyways that took place from 1979 to 1981 are a human tragedy, a civic rebuke, a haunting nightmare. Officially, the nightmare ended on Feb. 27, 1982, when a 19-member jury found Wayne Williams, a 39-year-old would-be music promoter, guilty of two of the 26 murders investigated by a special task force, with his



Williams, no confusion, no witnesses

conviction, police also closed the book on 21 of the other killings, attributing them to Williams.

But with no confession and no eyewitnesses, doubts lingered. Anne Rogers and other militant mothers have repeatedly petitioned authorities to reopen their children's cases. And now the doctored film—which many critics nationwide called distorted and irresponsible—has reignited that Williams was extradited, "a case of racial bias on the altar of the good name of Atlanta." City leaders tried to discredit the film with a media blitz. But they could not calm the most nagging fear of some Atlantans: "I don't think Wayne could have done all these killings," said Lillian King, a black clerk who lived with an 18-year-old son. "I really believe there is still a killer out there somewhere."

When the bodies of the youths began to turn up in various secluded spots in July, 1979, police gradually noted a pattern: the victims were young, black, streetwise, from poor or broken homes, mostly in south Atlanta, many had been asphyxiated. But neither the specially formed task force nor the FBI saw psychics and "happenings" from around the country could crack the case. Fear spread in the city: some Atlanta children started bedwetting; vigilantes patrolled the streets.

Many observers speculated that the killer was a white racist madman, but when a police stinkout team heard a suspicious scream in the Chattahoochee River one night in May 1980, the end they found on the bridge above was driven by the judge, black Williams. Police ruled Williams for one month before changing him with the murder of Nicholas Carter, 20, and Jimmy Ray Payne, 31, both of whose bodies were found downtown.

The case hung literally by a thread: experts said that traces of fibers and dog hairs clinging to the victims matched samples taken from carpets, bedspreads and other scenes in Williams' home and car. The prosecution also introduced evidence linking Williams—without actually charging him—with the murders of 30 more young blacks which followed a similar pattern to those of Carter and Payne. Williams said that they had seen the defendant in the company of some of those victims, and the prosecution painted him as a "Jekyll and Hyde" split personality bent on purifying the black race. Williams denied all of it, and his lawyers argued that the evidence was purely circumstantial. But after nine weeks of testimony the jury found Williams guilty of both murders, and the judge sentenced him to two consecutive life terms in prison.

Although the TV movie is not the first expression of doubt about the Williams



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verdict, it is certainly the most conspicuous—and controversial! The five-hour documentary used some real names and actual trial testimony while inventing other characters and dialogue in a series of gross approximations. The film's writer and coproducer, Abby Mann, insisted that his portrayal was balanced. The movie paints some Atlanta police officers as incompetent or uncaring and depicts then-mayor Maynard Jackson as more concerned with protecting campaign business than with the murder of children. And it strongly suggests that the city was too desperate for a scapegoat that it convicted an innocent man.

After seeing a preview of the film, Atlanta viewers were reassured. They had known for days following destruction in *Goose With the Wind*, Atlanta has grown into a proud and thriving metropolis with over two million people. Selling itself as "the city too busy to hate," it emerged from the civil rights struggle of the 1960s to become the symbol of racial progress, a black-powered city of gleaming skyscrapers, the undisputed capital of the New South. The killing of poor blacks looked like a sadistic image, and the TV movie seemed nothing less than an indictment. The Atlanta city council claimed that the film "grossly transgresses the bounds of decency and fair play," and many officials said it patronized blacks. Some threaten-

ed to sue CBS. Eventually, Mayor Andrew Young led a delegation to CBS headquarters in New York, where the network agreed to air an advisory saying the movie is "not a documentary but a drama based on certain facts."

In reality, critics erred, the filmmakers shamelessly manipulated those facts—or simply omitted them, such as the blood stains found in Williams's car which matched the blood types of two victims. But more significant is the movie's open ridiculing of the fire evidence. Experts catalogued 300 matches between fires taken from 12 victims and those from Williams's environment.

Bruce Goodlett, an army forensic scientist in Ottawa who travelled to Atlanta in 1985 to help Georgia experts examine things collected in the Williams case, maintains that the sheer number and unusual combinations of matched fibres make it "nearly certain" that there was an association between Williams and the victims. Basil Goodlett, "It is about as good fire evidence as you would ever hope to get." Atlanta police also reject the film's implication that the slaying spree did not end after they started killing Williams. The city has certainly experienced more murders since then, says Public Safety Commissioner George Napper, but "there has been nothing that fits the pattern associated with Wayne Williams."

Still, such assurances are not entirely comforting to those most traumatized by the murders and the movie's re-enactment Atlanta's children. During the film's showing, calls poured into a special mental-health hotline in Atlanta, many from parents, but others directly from children. "We could detect hysteria in some of the children's voices," said Mary Phillips, one of the school psychologists who screened the phones. "They were trembling or shivering to cry."

For his part, Wayne Williams, now still, remains imprisoned at the Georgia Diagnostic and Classification Center outside Jackson, Ga., where he does clerical work and reportedly watched the movie with other inmates. He will be eligible for parole in June, 1988, but he is unlikely to receive it, he says. Although the Georgia Supreme Court upheld his conviction in 1983, Williams has continued to maintain his innocence and his current attorney, Lynn Whitley, a preparing an appeal to the U.S. district court in Atlanta, challenging the fire evidence and the introduction in court of 16 other murders. The TV movie, he says, can only help because "the issues have been reversed." Whitley said "The world is looking at it. I believe we will win." Win or lose, Williams's appeal—and the outlying questions surrounding the case—are sure to mean more agony for Atlanta. ◇



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### **FOLLOW-UP**

## A bad year for the hunt

As an inshore sealer for the past 20 years, Glen Conib, 42, of Twillingate, Nfld., has watched the emotional antiwhaling protest slowly erode the market for his furs. Last month that market disappeared completely when Cuno Company, the Newfoundland processor that buys nearly all Newfoundland seal pelts, shut its plant in Dildo because of a lack of demand from its traditional European customers. Instead of reaching his boat to hawk through Twillingate's ice-blocked harbor, Conib watched in frustration earlier this month as a herd of squawking seals appeared on the ice packs offshore. "There were hundreds of thousands of seals," he said, "but we could not take any." Indeed, the collapse of this year's hunt may mark the final victory of the controversial, sometimes violent 15-year-old movement to halt the slaughter of white harp seal pups. Said Mark Small, president of the Canadian Sealers' Association and a landman sealer from Wfild Cove, Nfld.: "As a sealer, as a fisherman, I am an endangered species."

The long and bitter war between sealers and environmental activists recently shifted from the ice fields into the hearing room of a seven-member royal commission on the sealing industry in Canada. Headed by Quebec Court of Appeal Justice Albert Malou, the commission was set up by former fisheries minister Pierre De Bouché nine months ago. In examining the ethics, economics and science of the hunt, animal rights activists have argued that the \$5.4-million commission is redundant because the markets for seal pelts are dead. Indeed, in 1984 sealers harvested only 34,000 pelts instead of the permissible government-set quota of 180,000, largely because of a European Economic Community ban against the importation of white seal pup fur in October, 1983. But Malou's report, due in September, could influence the 1985 critical Gov. J. vote on the renewal of a two-year ban. Declared Malou: "It is wrong to say 'It is a dead issue'."

The antiwhaling protests began in the early 1970s when the environmentalist group Greenpeace Canada publicized what it termed the brutal methods used by fishermen in killing "whitewings"—fluffy white pups less than 10 days old. In recent years the powerful Cape Cod, Mass.-based International Fund for Animal Welfare (IFAW) has taken up the cause. The organization's massive letter-writing campaigns and distribu-



A 1981 protest after 15 years, victory

tion of graphic films of the killing led to the 1981 ban and a consumer boycott of all seal pelts, including the short-tailed spotted fur of the adult animals. For Europeans, noted Bernhard Nysæd, Cuno's president, "a seal is a seal."

Antiwhaling activists have vowed to keep pressing for an off-ice total ban on the hunt, despite the fact that it is now highly monitored and the herds, according to many scientists, are in no danger of extinction. For the more than 10,000 Inuit and Newfoundland subsistence fishermen who rely on seal meat for inexpensive protein and seal fur for a substantial portion of their incomes, the disappearing markets have already taken a devastating toll.

To preserve the industry the commission is considering several options, including a federal ban on the whitewing hunt, (after federal subsidies to help Canadian fur companies with heavily subsidized pelts from Greenland and Denmark and the development of new markets in China and the Far East. That according to some spokesmen. Deems Ellett, whose organization spent \$1 million to promote the 1981 ban in 1983, "I'm not willing to spend whatever is necessary on a publicity blitz to renew the two-year ban next October. Such a ban, according to fishermen, could kill the hunt for good."

—JAN WADSWORTH

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## Q&A: NGUYEN CAO KY

# A field marshal remembers

Nguyen Cao Ky, whom U.S. journalists called the "Napalm Man" of the Vietnam War, joined the last few days of peace and negotiations in the strife from Saigon when it fell to the Communists on April 30, 1975, 10 years ago next month. Since arriving in the United States as the former *Applaud* prize—he became South Vietnam's prime minister in 1965, an vice-president in 1967 and a private citizen since in 1972—has settled into a middle-class neighborhood in Huntington Beach in southern California. Recently invited to an all-day South Vietnamese "Mafia," the controversial 55-year-old ex-military leader has withdrawn from public life in his adoptive country and run a liquor store until this month, he plans to open a Vietnamese restaurant next year.

*Applaud* prize—he became South Vietnam's prime minister in 1965, an vice-president in 1967 and a private citizen since in 1972—has settled into a middle-class neighborhood in Huntington Beach in southern California. Recently invited to an all-day South Vietnamese "Mafia," the controversial 55-year-old ex-military leader has withdrawn from public life in his adoptive country and run a liquor store until this month, he plans to open a Vietnamese restaurant next year.

**McLellan:** Could the Americans have won the war in Vietnam?

**Ky:** It is so very difficult, after 10 years, to look back at the history of the Vietnam War and then to say to yourself, "If we had done this or that, then we could have altered the course of history." Even Richard Nixon, when I met with him in San Clemente after the war, could not say for sure that if he had still been President in 1975 he could have saved South Vietnam. All he could tell me was, "Well, maybe the situation would have been different if I had been President." All I can say is that we did not do the right thing.

**McLellan:** What mistakes did the United States make in Vietnam before 1975?

**Ky:** The Americans did so many things wrong. I told the Americans from the start that to win the war in Vietnam they would have to bring it home to the North. I told them to bomb the dikes around Hanoi during the rainy season. I said that back in 1965 and 1966 to President Johnson. He didn't ask me why he didn't listen. At the Guam Conference in 1967 I proposed to Johnson that I would resign from the government and lead an invasion force into North Vietnam. The force would be 100 per cent Vietnamese

—no American involvement whatever. But Johnson was afraid of what the Chinese might do. All the Americans seem worried about the Chinese. Dean Rusk was shocked with them. I told him that the Chinese would do anything, that the Vietnamese Communists would not have asked the Chinese to help them. And what happened after the North Vietnamese victory of 1975? They went to war with China! That shows that I was right. If we had invaded the North, we could have won the war in just two months. Late in the war the Americans thought they could win by destroying the Ho Chi Minh trail. But they were wrong. It was a constant destruction it even by bombing it 24 hours a day because there were a thousand Ho Chi Minh trails in the thick of the jungle. There was just one way to stop the North—to invade them, to go directly to the source of the problem. In the end we lost the war because we did not fight the war the way we should have fought it.



Ky, beggar and strongman

**McLellan:** How do American politicians and journalists feel to you and to your government during the war?

**Ky:** If American politicians who came to Vietnam had listened to us, then perhaps the war might have been won. But what did American politicians even really know about Vietnam? They came to us for three days or so, and most of the time they spent drinking and chatting in a hotel room. What did they know about Vietnam? Nothing. The American journalists were full to the brim of the time. But they saw what the Americans were doing in Vietnam and they wrote about that. And when they saw what the Americans were doing—killing complete change of the war—I think they started to see us as puppets of the American government. Then their reports became propaganda for the Communists. The press did not see us as nationalists or anti-Communists.

**McLellan:** How good was the North Vietnamese Army?

**Ky:** When the USA finally entered Saigon and when our soldiers saw them they

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were disappointed that we had run away without a fight. Americans knew that if we could have had weapons we could have fought for Saigon, we could have established a front and we could have done far better than the Cambodians did in Phnom Penh. People thought that the sov. beat us because they were highly motivated and they were tactically brilliant. That is absurd. If I am Moscow—read Ali and you are a little guy, is it brilliant tactics if I beat up on you? Of course not. They beat us in the end because they were bigger and stronger and above all else they were better supplied. Their friends were more faithful than our friends. When they came up against Thieu and his military cronies they were coming up against small guys. Anyone could beat Thieu and his friends. But the American politicians liked Thieu. When they came to Vietnam they all wanted to hear bright and beautiful things about how the war was going. They got that from Mr. Thieu. All the American politicians ever wanted were leaders who would make them feel comfortable—not good leaders, leaders like President Thieu. So, to a large degree, the American support of Thieu kept us from coming to power.

**Wade:** What should Americans know about the Vietnamese today?

**Ky:** What Americans must understand is that we Vietnamese are not really so different from other people. We have the same hopes and dreams as you. But we did not have strong or experienced leaders. We came out from under 80 years of French colonial rule. And right after that we were handed our independence. And after that, we were at war with the Japanese and then the French and then the Communists. Actually, what we did not have—if you look at our history—was a transition time. We did not have time to be educated and to form a generation of leaders for a democratic government. If we could only have had time, we could have done it.

**Wade:** Americans still seem unwilling to talk or hear about Vietnam. It is a really uncomfortable episode in their history and they want to forget it. How do you feel about that?

**Ky:** I speak often to Americans—especially to American soldiers. The majority say they do not want to talk about Vietnam. But deep inside they still think about Vietnam, they dream about Vietnam. They are still trying to find a complete answer to their sacrifice and to their commitment. Vietnam is still with them—every day and every night. When they talk about El Salvador and about Nicaragua, they talk also about Vietnam; always, again, back to Vietnam. Vietnam is still a big, deep wound for Americans that will not heal. They try to forget Vietnam, but they cannot. And neither can we. ☐

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THE PEOPLE PEOPLE LISTEN TO

## AN AMERICAN VIEW

### The church against the state

By Fred Bruning

Last year a movie called *El Norte* made the rounds of the art-theaters. It wasn't the sort of film destined for wide distribution—nothing much to engage an audience eager for yet another adolescent sex dance—and despite the advertisement of many posters it soon dissolved into a terminal fade. The movie dealt with two Guatemalan, a brother and sister, who entered the United States illegally and headed for Los Angeles. At some time, however, each began to seek economic advancement. There wasn't much hope for survival, as a matter of fact, because the family was on the outs with a repressive government.

*El Norte* was a nice try—one of those high-minded efforts that give a long way on good intentions. As drama, though, the movie could have been stronger. It strayed too far toward polemic in the final segments, and the story of the brother and sister, as so reverently teaching us, lost credibility. But if art was undercut by politics in this instance, one can appreciate the movie-makers' sense of urgency.

There seems no question that the fictional story depicted in *El Norte* was far more than wishful. Central Americans are, indeed, leaving their countries, and United States policy is hardly an accidental factor. Not surprisingly, however, leaders in Washington have little use for such bothersome examples of political cause and effect. It remains the administration's official view that, with few exceptions, Latin refugees are not trying to escape tyranny at all but simply heading north for higher wages and color TV.

Recently, refugees from Salvador and Guatemala apply for political asylum. Routinely, they are denied. Petitions are granted only to those few who somehow demonstrate that, if returned, they would face intimidation—a claim that rarely impresses United States executive officials. To be sure, we are uncommonly diligent in considering the question of whether those people will be imprisoned, slain or tortured should they go home. One might wish to ask how we have succeeded as much practice in selecting Latin governments for professional treaties over the last half century.

With truly horrific patience, after all, we have abased an inordinate number of doves and despots, paid those officials, dispatched our military to provide support and argued their case before the

court of public opinion. Denunciations and general pleas for understanding only the people arouse our sympathies.

Puffing to believe the stories of the applicants, then refusing to accept the notion that thousands are threatened by local assassins and elements of the Guardia Nacional, we send them back to wherever they came from. Economic refugees must submit to normal procedures and wait their turn at immigration. It's just that simple. The United States cannot be in the position of bringing aboard every José and María chased by dozens of a middle-class assassin.

The sophisticated say this sort of approach is remarkable at a time when the administration, in league with assorted faith healers and radio preachers, is attempting to inspire a religious revival of good old-fashioned Christian values. While doing unto the least of these my brethren may be a nice idea for a priest-

***Jerry Falwell and President Reagan may have a renegade view of what love thy neighbor means***

donal prayer breakfast, critics say, the concept seems not so attractive over at the Immigration and Naturalization Service.

"Where the United States government usually hesitates to grant asylum to the Soviet Union or Poland, neither Congress nor the people would stand for it," said William Stearns Coffin, senior pastor of Riverside Church in Manhattan and a fellow who rarely takes himself and scrambled eggs at the White House. Further, Coffin said, the failure of United States legislators to intercede on behalf of the displaced from Guatemala and Salvador was "actively blatantly anti-Christian."

Coffin and a number of other clergy have decided to involve themselves in activity that is blatantly to the contrary. Specifically, they are endorsing an effort known as the sanctuary movement—a church-sponsored campaign that leads one to believe Jerry Falwell and President Reagan may be peddling an altogether renegade view of what it means to love thy neighbor.

Approximately 280 congregations support the sanctuary campaign at this

point—churches, wherever the Ladies' Aid almost certainly serves coffee after worship and the Men's Club runs an annual roast beef dinner and the Youth Fellowship goes ice skating on Sunday afternoons and where, as well, illegal aliens from Central America can find food, counsel and often a place to sleep. In other words, ordinary church folk—the very same who complain about the cost of their robes and read Desperate Strangers during sermons—are announcing they don't much like the way the government is handling its unauthorized guests close south of the border. When we last heard, the meek were supposed to be inheriting the earth, and, so far as the sanctuary people are concerned, the United States is not an exempted area.

What the church folks are doing—harboring undocumented aliens—is viewed as quite filthy by authorities, and Washington can by no means countenance such an outrageous breach of the statutes. If the nation is to maintain the integrity of its borders and the credibility of its foreign policies, appropriate action would be necessary. The bleeding hearts have gone quite far enough.

The federal government has issued indictments against 16 sanctuary workers, who, if convicted, could pay up to \$5,000 and spend five years in jail. The volunteers protest and say they have done nothing wrong. From their point of view, the Central Americans being assisted are not illegal aliens but persons motivated by their lives are at risk—political refugees according to any definition not perverted by ambition and secondary indictments or not, workers said, the sanctuary movement would ensure fledgling one volunteer. "In terms of this issue of faith, we're not going."

Meanwhile, the state department is negotiating a white paper claiming that the Soviet Union, with help from Cuba, is striving to annex Central America for purposes of military advantage. Good state department explanation, the Sanitary message, and vigorous demands appear for friendly Latin regimes—friendly to us, if not their own country. So it seems that sanctuary workers and their allies will be busy indeed at least until 1988. With the Reagan administration occupied in making Central America safe for democracy, church people best keep their doors open and their attorneys on full alert.

Fred Bruning is a writer with Newsday in New York.

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Maloney with (from left) Neatohy, Deputy Governor General Antonio Lamer and Nielsen: straddle the opposition

## CANADA

# Repairing an uneasy cabinet

By Michael Chagston  
and Hillary Mackenzie

The first breath of spring touched Ottawa last week and the heads of crosses began ringing Parliament Hill. Politically, the season changed more swiftly. Prime Minister Brian Mulroney, returning from a two-day visit to Jamaica, needed to EE the pit in cabinet ranks left by Defence Minister Robert Caouette's abrupt resignation last month. In quick succession he named Eric Nielsen, who will continue to act as deputy prime minister, to the defence portfolio, then he appointed House Leader Ray Hnatyshyn to take over Nielsen's largely ceremonial duties as deputy counsel president. The miniature cabinet shuffle instantly touched off an increase round of speculation in the capital over which cabinet ministers are on their way up and which ones may be on their way out.

The speculation was fuelled by the revelation last week that Environment Minister Suzanne Blais-Greener, who was already under heavy fire for cutting

\$33.6 million in environmental programs in November, was fired from the job she had before becoming a cabinet minister. At the same time, Ottawa cabinet watchers were fascinated by the spectacle of as powerful a figure as Finance Minister Michael Wilson facing an uncertain future after losing out in his pre-Christmas campaign to cut back on universal social benefits as a deficit-reducing measure.

Caouette's resignation, following reports of a rift to a disreputable West German bar in November, forced Mulroney to shift cabinet members long before he planned to do so. According to cabinet insiders, the Prime Minister was anxious to avoid any cabinet shuffle until late next summer in order to give ministers time to prove themselves. The same sources said that under that timetable, Caouette—whose overall performance in the defence portfolio had given Mulroney cause for concern—would have been appointed to the Senate as a reward for his long and steadfast loyalty, while some other senior cabinet members, possibly including Veterans Affairs Minister George Heintz, would also

have been given rewarding senates. Although circumstances forced Mulroney's hand, the tough-minded Nielsen—who is adept at straight-talking the opposition and mauling the press—is unlikely to cause problems in the defence portfolio. Among Nielsen's first tasks will be to obtain sufficient funding to expand the Canadian Press and to defend Ottawa's position in the continuing controversy over the United States "Star Wars" space defense research program. "Nielsen does not divulge anything he does not want known," noted New Democratic Party House Leader Ian Dewar. "That will make it all the more difficult for those of us who want answers to get answers."

Meanwhile, Blais-Greener continued to be a source of controversy. Her latest difficulties arose after a Canadian Press sports-flavourer story reeked in Montreal indicating that she launched a lawsuit in 1983 against her former employer, the Quebec Parity Association for Workplace Health and Safety, demanding \$100,000 in damages and back wages. Blais-Greener denied in the suit that she was fired from her job as assis-

tive director in such a way that her professional reputation was damaged. She noted in the suit that her former employer accused her of falsifying minutes of meetings, and of hysteria, incompetence and intellectual dishonesty.

She also filed a separate suit for \$100,000 against an official who she claimed led the campaign to have her fired.

The Mulroney government had already become the target of criticism because of Blais-Greener's role in sparking an environmental and wildlife programs. There do appear to have been some teething problems," said a cabinet colleague of the straight-talking minister. By week's end, speculation in Ottawa had put Blais-Greener's name near the top of the gossip list for those ministers most likely to be demoted in the next cabinet shuffle.

Wilson's position in the cabinet is quite different—although far from secure. An enigmatic man, the finance minister is widely admired by fellow Conservatives for his candor and strong sense of principle, the very qualities that helped put him in accord with his colleagues during cabinet debates. He has consistently defended the deficit-cutting measures outlined in his Nov. 5 financial statement, although other influential cabinet ministers—such as Transport Minister Don Munck-Kern and Health Minister Jake Epp—roused them in order to avoid facing the political costs of austerity programs. Wilson's fortunes reached their lowest ebb during last December's debate on Tory proposals for environmental waste payments. Then, according to a cabinet minister, "we went into the House every day wondering whether the Prime Minister was going to be able to get the finance minister through the day."

Already, several cabinet ministers are lining up for Wilson's job. According to a member of Mulroney's inner circle, Energy Minister Patricia Carney's staff is promoting her as Wilson's successor and members of Revenue Minister Perrin Beatty's staff are promoting him. That a senior aide to one of Wilson's cabinet colleagues said that it could be "a very big mistake" to assume that the finance minister is likely to leave soon. "If people are pushing Carney," he said, "they're got a long wait."

Caouette has also been named ahead of the future of Solicitor General Elmer Mackay, who admitted last month that he met secretly with New Brunswick Premier Richard Hatfield on Oct. 7. At the time, they discussed an \$100-million investment in a suspected drug processing plant in the province. Hatfield was subsequently charged with—and acquitted of—poisoning marijuana. But the propriety of Mackay's meeting with the premier is

still being debated in Ottawa. Said Dennis: "It's not over yet. I don't think that has been resolved."

Still, some ministers have clearly surprised Mulroney by demonstrating unexpected strength and resilience. External Affairs Minister Joe Clark, for one, made an uncertain start in his new portfolio in November but was quoted from a weekend decision lodge as wondering whether Nicaragua had an ambassador



Clark: new and promising prospects

to the Tory inner circle, is currently "Numero Uno in the PM's mind." Still riding the wave of last month's "Atlantic Accord" which ended an offshore resource sharing agreement between Ottawa and Newfoundland, Carney will face a larger test of her abilities this spring as she seeks to work out an energy deal between Ottawa and the three western oil-producing provinces (page 30).

Consumer and Corporate Affairs Minister Michel Gelin is another minister who has won favorable attention in Ottawa. His impressive cabinet colleague with his direct and diplomatic resolution of the metric issue in January. Gelin managed to convince maverick Tory MP William Downes, the vociferous champion of imperial measurements, to accept a metric compromise that essentially gave full approval to metrification while leaving room for the continuing limited use of imperial. Gelin has even been rumored as a possible candidate for the seat on the cabinet's powerful priorities and planning committee left vacant by Caouette's departure (Nielsen, no longer prime minister, already sits on the committee).

Another probable candidate for promotion is Barbara McDougall, the penultimate minister of state for finance. Her portfolio involves mostly low-profile financial issues, leaving her largely isolated from the toughest over the plummeting dollar and other national economic issues. One senior political aide cautions McDougall to be politically "still in the manager's room," but some cabinet colleagues insist that she is not an average cabinet minister. "This is as if she's always been in the House," said one minister. "She's the greatest advertisement I know for the role of women in government and business."

Other ministers may be destined for eventual removal from the cabinet. According to cabinet insiders, Treasury Board President Robert de Cotret, for one, has been losing political battles inside the government in trying to control spending. And a cabinet insider "The cabinet is not a place where you can get in and not be there any more."

De Cotret's popularity may erode pretty soon from the fact that, as the minister who controls the government's purse-strings, he had the task of imposing spending cuts on his colleagues last fall. He has also been the target of numerous in-famous criticism for their decision. Now, with rumors circulating of another round of spending cuts to follow Wilson's budget in May, Mulroney's ministers are already mulling the possibility that some of them are far from their careers. Could a senior Tory? The threat has not even begun to be played out. You have to wait and see which conditions turn over the budget. □

# Wilson's spring agenda

By Michael Rose

In cabinet government, few seasonal assignments are as difficult as that of managing the national press. "It's a nightmare, brother," says former Conservative leader Robert Stanfield once remarked. "Particularly when you're bad at it." And last week Finance Minister Michael Wilson came face to face with the full complexity of the task. With the fiscal year opening on April 1, the events of the week generated both satisfaction and frustration. By week's end the spending and borrowing foundations of his spring budget were largely in place—but so were uncertainties about the future of the economy and Ottawa's monetary policies.

Government spending estimates for the approaching fiscal year gave Wilson a guide for his budget. As well, Senate passage of a finance bill after five weeks delay gave him authority to borrow into the new budget year. And a federal report showed that economic growth was stronger last year—4.7 per cent—than Wilson had estimated last fall. But persistent foreign-exchange pressure against the Canadian dollar forced unintended borrowing and a rise in interest rates (page 38). The financial and political uncertainties may prompt Wilson to delay his first budget into May, opposition politicians speculated. But Prime Minister Brian Mulroney declared that Wilson's budget, when it comes, will "restore confidence and create jobs."

The budget will set out how Wilson proposes to raise the money, in taxes and public borrowing, to cover a record \$108.4 billion in 1985-86 government spending plans presented to Parliament last week—although his budget could also trim back or delay some spending that the dollar's decline, the borrowing to support it and rising interest rates may compound Wilson's budget-making problems. The annual predicted "seven decline in interest rates" by April 1, but be cause under intense pressure in the Commons to provide a clearer policy statement than his general pledge "to introduce a degree of stability to rebuild confidence in the Canadian dollar." For his part, Liberal Leader John Turner, who served as federal finance minister from 1982 to 1979, assailed Wilson for what he described as a "lack of precision" in his economic statements.

The Opposition also attacked the government's spending estimates as too large overall and inadequate in several respects. The total is a 7.3 per cent increase over what the Liberals allocated for 1984-85. A projected seven-per-cent

increase in defense spending to \$9.4 billion accounts for half of the increase, after discounting inflation. Also included in the thick blue estimate book tabled by Treasury Board President Robert de Cotret were a 50-per-cent decrease in spending on economic and regional development to \$13 billion and a 15-per-cent increase to \$3.98 billion for job creation and training. As well, there was an increase of more than

\$50 million more. The other four provinces, with higher per-capita local revenues, do not qualify for grants.

As well as setting the stage for a potential dispute with provincial treasurers, the Mulroney government squared off for a potential showdown with the Senate, 75 of whose 104 members are Liberals. After the Tiger Chamber delayed passage of the governing bill, Mulroney labelled the Senate's majority "a bunch of Liberal rejects" and he vowed to move quickly to curb the Senate's power. A constitutional amendment drawn up by Justice Min-



Wilson (left), de Cotret: changing seasons and subtle shifts of power

50 per cent in spending on staff and services in the Prime Minister's Office.

Ottawa's spending plans will put pressure on some provincial treasurers. Although proposed federal payments toward health care and postsecondary education, which go to all provinces, were up 16 per cent and 15 per cent respectively, four of the six poorest provinces that qualify for so-called equalization grants will lose money. Under a recent formula for the payments, Quebec stands to lose \$88.6 million, Manitoba \$72 million, Nova Scotia \$22 million and Prince Edward Island \$3 million. New Brunswick gets an additional \$22 million and Newfoundland

after John Crosbie will be presented to cabinet this week.

But it was the botching of the dollar, which eased the week at 71.88 cents (U.S.), that most troubled Wilson. Decried the minister. "It's the first time in history that we've had this enormous strength of the U.S. dollar against all other major currencies. No other finance minister, no other governor of the Bank of Canada, has had to face this before." As his home week wound down, Wilson remained his customary composed and declared, "The direction is there to create the jobs, the confidence and that sense of certainty which was missing over the past 10 or 15 years." *Cy-*

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# The posties at the edge

By Ken MacQuinn

During the postal disputes of the 1970s, Jean-Guy Parrot, the iron-willed leader of the Canadian Union of Postal Workers (CUPW), wore a lapel button that held out the promise of labor peace in the embattled mail service. "A Crown corporation will deliver," read the slogan. But as Canadians learned themselves for a national postal strike which could begin as early as next week, it was apparent that the 1981 transformation of Canada Post from a government department into a Crown corporation had not produced the successes that may had hoped for.

Armed with last week's strike mandate from 89 per cent of the 35,000 inside postal workers represented by CUPW—the most militant of Canada Post's four trade unions—there were concerns in some quarters that Parrot might follow the well-worn path to another postal strike. As chief negotiator in 1975 and then as union president, he has led CUPW through five sets of contract negotiations and two national strikes—a 59-day stoppage in 1978 and another 42-day mail stop in 1981. Five years ago Parrot spent two months in an



Parrot, making the mail run on time

Ottawa jail after defying back-to-work legislation during the 1978 strike. Still, there were indications that another strike might yet be prevented. The breakdown and open hostility that once marked negotiations between the post office and its inside workers were missing, and both sides insisted that a strike was far from inevitable. Parrot initially expressed "a certain optimism" that the basis for a settlement might be found in a report being prepared by federal negotiator Stanley Hare. Last week Hare, a Montreal labor lawyer, showed preliminary drafts of his findings to union and postal officials before asking for an extension until early this week of the deadline for turning his report over to federal Labor Minister William McKnight. But when Hare does report his findings, the union—if it cannot reach an agreement with Canada Post—can strike seven days later. Meanwhile, negotiations—delayed in mid-February over issues including job security, working hours and pay—resumed last week. "We don't have much time to avoid a strike, and I think we should try to size all the same," declared Parrot, as he returned to the bargaining table. Added Canada Post spokesman John Carney, "Everybody knows that it is worth sticking around today to tie things together." At issue are Parrot's demands for job

security and Canada Post president Michael Warren's determination to eradicate the corporation's \$300-million-a-year operating deficit. In the past five years about 3,000 jobs have been lost through resignations and retirements—and union spokesmen claim the corporation has indicated that another 3,000 may be eliminated. Canada Post wants to step up automation, increase the use of part-time workers and shift employees in a given area to where they are most needed.

Parrot is demanding not only job security for his members but also more jobs through such measures as a reduced work week and the opening of new postal substations. On the pay issue, the union demanded hourly increases of 30 cents and 70 cents for inside workers, who currently earn a maximum of \$32.68 an hour, while Canada Post offered 37 cents and 38 cents more per hour in the first and second years of a two-year contract.

But two factors are critical in the current efforts to avert a strike. For one thing, postal unions have used some of the best of the streamlined techniques involved in negotiating with a Crown corporation. Before Canada Post was set up, the postal department played a secondary role in labor negotiations to the Treasury Board—a government department which controls the



Parrot: the breakdown was ending

federal executives but tended to have little understanding of postal problems. For another thing, both Parrot and Warren have a large personal stake in making the corporation work.

Parrot, 46, who started as a Montreal postal clerk in 1964, stayed for years lest if the post office remained a government department it would continue to be inefficient—and too close to the political masters. Warren, 45, the former chairman of the Toronto Transit Commission, was picked in 1981 to be the first head of the postal corporation and challenged to make the mail run on time, soothe the troubled unions and erase by 1986-87 the annual deficit of about \$1 billion.

Still, a desire to make the new Crown corporation work is evidently the only thing that the self-proclaimed Parrot and the self-named Warren have in common. And with the CUPW rank and file solidly behind him, Parrot insisted last week that he had no intention of watering down his basic demands. But Ottawa had even more reasons than usual for wanting to avoid the disruption and economic cost of a postal strike. Prime Minister Brian Mulroney would be bound to consider such a strike a major embarrassment as he prepares for a carefully orchestrated economic summit with labor and business leaders, scheduled in Ottawa for March 26-27.

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# New Brunswick's anti-French crusade



Shuffle at Moncton meeting of language advisory committee: 'outcast government'

By Chris Wood

**O** utside Fredericton High School, exhaust vapors threaded the cars manoeuvring for spaces in the packed parking lot. About 300 New Brunswickers, many of them elderly, had braved a frigid February night in anticipation of a message from Len Poore that would be both nostalgic and caustic. Inside the school assembly hall they were not disappointed. To enthusiastic applause, the founder of the New Brunswick Association of English-Speaking Canadians repeated his familiar charge that "a gutless government" is cornered by the province to domination by its French-speaking minority. French people will control the government for years to come," shouted the 65-year-old insurance agent. "If we don't stand up now, God help the English-speaking people of New Brunswick."

The raucous applause enveloped Poore's views on the erosion of an Acadian administrative district proposed by Acadians living in the province's largely French-speaking northeast peninsula. "They should get it," declared Poore. "They should fence it in and keep their sons of guns behind the dance fence and don't let them out." Poore's mixture of anti-French rhetoric and homespun humor, delivered with the evangelical zeal that he has mastered as a Baptist lay preacher, is playing well among a growing constituency of New Brunswickers. In less than a year Poore

has tied his English-rights crusade to attract more than 10,000 members to his association. That makes it a substantive political force in a province of 715,000 people.

New Brunswick's two principal political parties—Premier Richard Hatfield's Conservatives and the opposition Liberals led by Raymond Poirrette—reject Poore's statements. But the province's 225,000 francophones—proportionately the largest French-speaking community in any province outside Quebec—are alarmed at the evidence of growing support for his cause. The Acadians, and some government officials, are worried about the potential for manifestations of anti-French feeling by his followers.

in public hearings on the province's language issue resume next week.

In effect, Poore has reassured the mantle worn by Leonard Jones a decade ago. Jones, a mayor of Moncton, first earned notoriety in the late 1960s through his fierce opposition to bilingual street signs and other services for French-speaking residents of the city. Jones's attempt to carry his anti-French crusade into the federal arena as a Progressive Conservative collapsed when the opposition par-

ty under Robert Stanfield refused to let him run for the Commons as a Tory. Jones ran anyway as an Independent and was elected in 1974, serving a full term before returning to his legal practice in Moncton in 1979. In the meantime, Poore, a Second World War veteran of infantry campaigns in Italy, France and Germany, was serving his own apprenticeship in municipal politics. As a member of Fredericton city council for 17 years until 1980, Poore, says former fellow councillor William Thorpe, exhibited "rampant bigotry... even on issues that were only peripherally related to French."

Poore's opportunity to become a rallying point for anti-Acadian sentiment arose with political and social changes in New Brunswick. Encouraged by the provision of limited French-language services under the province's 1982 Official Languages Act, which made New Brunswick officially bilingual, the province's Acadians now are pressing for a larger role. But in trying to meet that demand, Hatfield—who received strong Acadian support in the 1982 provincial election—has increasingly encountered anglophone resistance. The premier provoked protests from anglophones when he announced that the Acadian flag—France's tricolor with a gold star in the upper left-hand corner—would fly from all government buildings during last year's provincial bicentennial celebrations. (The events marked the arrival of British loyalists from the rebellious 13 American colonies in 1783, more than 150 years after the establishment of Acadian communities in what was to become New Brunswick.)

Then, last summer Public Services Delivery Reform Minister Jean-Marc Stedard aroused the English community by announcing that the government would cut 1,000 positions from the civil service—affecting mostly bilingual anglophones—while continuing to hire additional francophones. Many English New Brunswickers reacted furiously when the Hatfield government forced an advisory committee last March to study the recommendations of a two-year-old report proposing that official bilingualism in provincial agencies be extended to municipalities and private businesses across the province.

Poore's role began to

Poore, playing well



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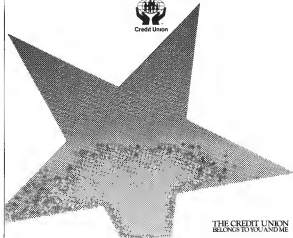
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expent last spring, when he and four other anglophone businessmen were distracted by the increasing use of French in the provincial capital decided to take action. They drafted a letter and sent it to three New Brunswick newspapers, inviting anyone with "problems with language" to write to them. Poore's name and address appeared at the bottom of the open letter, published in *The Telegraph-Journal* in Saint John, *The Times-Transcript* in Moncton and *The Daily Gleaner* in Fredericton, and he says, "within two days we had at least 840 letters." By last May the response had grown so strong that Poore decided to form his New Brunswick Association of English-Speaking Canadians.

Poore is now drawing overflow crowds from urban Saint John to rural Woodstock away from the political stage Poore, a former National Hockey League talent scout, maintains that he is not anti-French. His principal concern, he insists, is that English-speaking New Brunswickers are being shut out of government jobs because they do not speak French.

Poore's followers are more direct in stating their concerns. "I'm English. We're the majority. Why should we cater to the minority?" asked Shaun Collins, a pulp mill worker from Sackville, northwest of Fredericton. "I believe the French should have no say in government whatsoever," argued Greg Harwood, a 26-year-old Fredericton hardware salesman. "They're a minority, they should live like a minority."

Initially, French-based spokesmen dismissed Poore as a fringe force. But more recently, the *Société des Académiciens du Nouveau Brunswick* has acknowledged Poore as a champion of what committee director Aurèle Thériault calls a "very outdated, very cynical vision of New Brunswick." Added Thériault: "There are still people who think New Brunswick should be a unilingual English province and we have no right being here." Still, declared Thériault, federalization is government bring "is not happening the way Poore says it is." Thériault insists that hiring in the provincial civil service continues to favor unilingual anglophones. New Brunswick civil service commission figures bear this out. In 1983-84, 99 per cent of new jobs went to unilingual anglophones, whereas fewer than two per cent went to unilingual French speakers.

Despite the growth in Poore's support, New Brunswick's French-speaking Academics clearly do not plan to abandon their campaign for equal rights. "In fact [Poore] could create the opposite effect," said Thériault. "I think you are going to see the Académie population out in force, saying, 'Look, we have rights and we expect New Brunswick to respect our

rights.'" Still, the concern in some political quarters is that Poore's movement could develop sufficient strength to defeat Hatfield's government from its course. Poore, noted Liberal Leader Frenette, deserves to be "taken very seriously." And David Clark, Conservative member of the legislature for Fredericton South, described the English-bashard against bilingualism as "the most urgent task facing our government."

But Hatfield, preoccupied by the drug possession charges laid against him last fall—he was acquitted in January—and

subsequent claims that he supplied teenagers with drugs, has had little time or energy to devote to the issue. As a result, Poore and his supporters will likely try to intensify their campaign as the advisory committee resumes public hearings in Fredericton after a month's delay. During an earlier round of hearings in November, English audiences repeatedly shouted down comments in French, scoffed with reporters and even hurled eggs at committee members. In the next round, declared Poore, "the reaction will be more violent than ever." □

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## NATIONAL NOTES

## Dry times in Ontario



Consumer black futures

Flour, Cereal, Soft Drink and Confectionery workers and the National Union of Provincial Government Employees, are demanding a five-per-cent pay increase in each year of a two-year contract. But the central point at issue is job security. With the increasing use of aluminum cans by the beer industry, the unions claim that 2,000 employees who currently handle and clean glass bottles stand to lose their jobs to automated machinery. Before the strike began, consumers lined the streets outside the stores and used trailers and even small trucks to haul away stockpiles of beer—anticipating a beer war.

## A defiant challenge

After a Quebec judge ruled in December that it was illegal for the province to ban languages other than French from most commercial signs, Premier René Lévesque's government pledged to suspend court proceedings against alleged offenders under the law. But last week William Boone, a Montreal area insurance broker, found himself facing six days in jail for his refusal to pay a \$40 fine for moving a sign in both English and French. Boone, 47, is a white man with a dark complexion, a receding hairline, and a mustache. He is married and has two children. He works for a company called *Boone, Godin and Associates*, which is a real estate and insurance brokerage. Boone had been prosecuted only because Crown attorneys were "not aware" that they should suspend proceedings. Judge Jean Gauthier said that there was nothing he could do to correct the error because it was already in the courts. But Quebec Cultural Councils Minister Gérald Gauthier declared that Boone would be fined \$400 for failing to pay the \$40 fine. Boone, Godin said that he feared the incident would create bad publicity for Quebec and, he added, "I did not want any martyr in this province over language." For his part, Boone, whose francophone wife, Marie, also advertises her business in two languages, refused to accept the charge. Boone insisted that he is prepared to go to jail over the language offence. "I am a free man," he declared. "But I am not a martyr, and that is a difference."

## Dismissal in Alberta

As the principal assistant of the Alberta Conservative landslide 1982 election victory (75 of the 79 legislative seats), George de Rappard earned his friend Premier Peter Lougheed's gratitude—and a job as deputy minister to the cabinet, making him the province's second-most powerful man. But last June de Rappard left his \$71,000-a-year job on an unpaid leave of absence after he and four other people were charged under the province's Securities Act with making false and misleading statements in a prospectus for Dial Mortgage Corp. Ltd.

which were brought in April 1981. De Roppeard, who served as Dault's vice-president and chief executive officer between 1979 and 1980, signed the prospectus, which purported to give an accurate picture of the firm's finances. While De Roppeard and his fellow accountants—Dault's former, Denis Rowley, and his wife, Yolande, lawyer George Bruneau and Wayne Barry, a Dault director—appeared in provincial court, defense lawyers argued that under Alberta law the charges should have been laid within 18 months of the discovery of evidence in the case. The Crown argued that the charges should be brought to trial. Judge Aronson ruled, and last week he dismissed the charges against all five. The Crown is considering an appeal.

## A Maritime power fight

Does among the provisions, Prime Edmund Leites holds the water power to generate any hydro electricity. Islanders depended entirely on their oil-fueled power stations until 1967, when the province handed out New Brunswick's power licence to the province-owned NB Power. The province's Strait, New Brunswick Power has been changing its Canadian neighbors more than U.S. utilities in Maine during the past two years. The energy vices under a pricing formula related to the fluctuating costs incurred by the province's power companies. The province's Natural Energy Board ruled last month that N.B. Power could no longer sell electricity to Maine at lower prices than it sells to P.E.I. Last week N.B. Power announced that it will ask the province's Public Utilities Commission to review its pricing formula. The province's Public Utilities Commission estimated \$4 billion annually for the duration of its contract with Central Maine Power, which expires in 1991. The province said that the export license granted to N.B. Power required the offer power to Canadian utilities outside of Canada, and the province's Public Utilities Commission said that it would offer power at the same price. The New Brunswick utility had argued that it was complying with the law by applying a single pricing formula to both customers. The province's Public Utilities Commission said that it was charging identical prices would force it to subsidize P.E.I. utilities.

## On the road again



### Polyisobutylene stress fracture

After five-day interruptions brought about by pain and inflammation in his right leg, Steve Jonko resumed his one-legged cross-country run last week just west of Brandon, Man. In the face of a blizzard, the 39-year-old Vernon, B.C., native covered 24 km on his first day back on the road. Jonko was forced to halt his St. John's-to-Victoria, Brandon-to-Vancouver journey for the Canadian Cancer Society after problems developed about his leg, but he says it is a recurrence of the problem, not a setback. He is in Vancouver, where he was hospitalized for a stress fracture and prescribed a cast and a new insole to correct a legro caused by his run, the Winnipeg Star, made him an honorary member with a \$2,000 check for cancer research.

# Mixed signals for the general

By Alex Bracley

There were no manifestos, no party demonstrations and not a single political party. Out-door rallies were banned, the press was censored and most leading opposition leaders were arrested in a pre-emptive rounding up. In what officials described as a "non-political" election, Pakistanis turned out in surprising force last week to choose 1,000 deputies to the national assembly—the first general election since the military took power in 1977. An estimated 58 per cent of the electorate—more than 77 million voters—cast ballots, an impressive showing by Pakistani standards and a large volume (that had been predicted). After nearly eight years of martial law, many Pakistanis clearly felt that even a strictly controlled election was better than none at all.

The high turnout for the Feb. 26 vote and the relatively orderly polling—no people were killed in riots and 40 injured, a far lower toll than in past elections—strengthened the hand of Pakistan's military-backed president, Gen. Mohammed Zia-ul-Haq. At the same time, voters demonstrated displeasure with the regime by rejecting government candidates and its supposed supporters. As a result, the mixed signals made it unclear whether Zia will now open the way to new democratic advances or simply tighten his grip on power.

The opposition Movement for the Restoration of Democracy (MRD)—an 11-party coalition—suffered a setback. The MRD had called for a boycott, arguing that the election was simply a means of legitimizing Zia's authoritarian rule. But six of 30 cabinet ministers seeking assembly seats were defeated, including Raja Saifuddin Haq, the influential minister for information, broadcasting and religious affairs and the man responsible for the nation's international policy. Another prominent veteran, Defense Minister Ali Ahmad Talpur, responsible for some of the harshest aspects of military rule, lost more than half the candidates from Zia's own federal advisory council—the appointed forerunner to the national assembly—were elected, and the pre-government Islamic party—Islami-i-Islami—was reelected, winning only nine of 66 seats.

The judgemental verdict seemed to confirm the claims of Judge Sayed Nazam, the chief electoral officer, who



Castling a ballot in the December referendum: a 'non-political' election

as, that building was "free, fair and impartial." The same description was applied to voting for four provincial assemblies in Feb. 28, from whose results an 87-seat national senate will be chosen next month.

Having successfully co-ordinated the first stage of his long-promised, often-delayed return to democracy, Zia will now face mounting pressure to give the new assembly legitimate political powers. The 61-year-old leader, who seized authority in a military coup, has so far declined to clearly outline his future plans for the nation. In a pre-election statement he pledged to lift martial law and restore civilian rule—but not until he is satisfied that Pakistan is politically stable. "I will keep the martial law umbrella as long as I find it necessary," he said. "It is not a switch-on, switch-off sort of thing."

Even if martial law is lifted, Zia's position as president would not be threatened. A national referendum in Dec. 19

ended his plan to amend the constitution, to hold elections in which no formal political parties participated and to bring Islamic principles to government. On the basis of the December result, Zia decided to stay in office for five more years. Officially, the general captured 97.3 per cent of the vote as a turnout of 62

per cent.

As well, opposition politicians claimed that last week's vote was carefully contrived to ensure that Zia did not suffer any erosion of power. Although he has promised constitutional amendments guaranteeing a sovereign parliament, the president will retain the right to dissolve the assembly, appoint the prime minister and command the armed forces. "It is a complete job," he said.

It is a complete job, he said, and former air force chief Asghar Khan, leader of the banned Tehrik-i-Islami party and one of the few opposition

The mounting pressure



figures not detained before the vote. "But people have stopped laughing!" Indeed, Pakistanis have several reasons to doubt the value of the president's undertaking. When Zia seized power on July 8, 1977, he promised to hold elections within 30 days. But that pledge—and another promise of elections for 1979—was broken. On both occasions the general said the nation was not yet prepared for a return to full party-based democracy. He has listed that the 327 candidates elected last week will be allowed to enter into party groupings—at the expense of the established opposition—but Zia is still doubtful whether Pakistan should return to the free-wheeling, often chaotic form of democracy which the country experienced under the man he overthrew and whom he quietly handed Prime Minister Zulfikar Ali Bhutto.

The party-less system, Zia insists, will lead to a "new political order" in which politicians are guided by the principles of Islam, the national religion, and not by divisive partisan interests and personal ambition. His opponents, however, contend that the new order will effectively exclude them from political life.

It may be both. The election will create a new generation of political leadership in Pakistan that could represent the conflicting parties of the state. In fact, opposition leaders had been divided over whether to boycott last week's elections, and some of them, arguing that it was a politician's duty to run, broke from their parties and stood as independents. Those who did not run have now been isolated, deprived of every political weapon except moral outrage. But, noted one Western diplomat, "Having pulled it off, Zia now has to deliver."

Still, Zia seems secure enough to deliver whatever he chooses. Through a combination of shrewdness and good luck, he has established firm control over his volatile nation. Pakistan's progressive economic progress, fueled by cash remittances from overseas workers and, in part, the foreign aid, has helped him. So, too, has the Soviet invasion of neighboring Afghanistan, which established Pakistan in American eyes as a bulwark against communism and led to \$3 billion (US \$) aid from the United States. In addition, Zia's Islamisation campaign has won support among traditional Muslims.

But Zia still faces major problems. An influx of three million Afghan refugees has caused a serious problem on the northern frontier. Relations with India, Pakistan's largest neighbour, remain tense. Corruption in government is widespread. And the new political opposition is certain to press for rapid reform. Zia now has an important battle left over, but the internal war is far from over.

## BRITAIN

# The miners face defeat

For Britain's luck-stricken coal miners, it was a week of crushing disillusionment. Disheartened by the collapse of peace talks with the government on Feb. 21, strikers marked the 50th week of the nation's most divisive labor dispute by returning to the mines in record numbers. By midweek more than half the 260,000-member work force was back on the job, and officials of the National Coal Board predicted victory. National Union of Mineworkers president Arthur Scargill bitterly denied the man he overthrew and accused 50 per cent of the miners were still on the picket line. But Scargill implicitly acknowledged defeat, declaring, "What we are trying to do, and what we will

do on closing uneconomic collieries—this lay down throughout the strike."

The effect of the breakdown was dramatic. Last week a record 8,000 miners returned to work for the first time, the majority in such once-wildcat areas as Yorkshire and South Wales. Coal board spokesman Michael Bates hailed the passing of the 50-week mark as "a milestone in the return to sanity of the mining industry."

But in a week of severe setbacks it was not the only landmark. The Minister's crisis order to suspend colliery coal shipments. As well, a *red flag* order in Nottinghamshire, already threatened by NUM chiefs with expense for seeking more local autonomy, ended



Striking miners in Yorkshire: the expectation for an immediate return to work

succeeded in doing this time, next time, or whenever it is, it is those that workmen can stand up against, policies aimed at destroying communities."

Scargill had earlier failed to persuade leaders of Britain's umbrella labor organizations, the Trades Union Congress (TUC), either to resume attempts at negotiations between the NUM and the coal board or to vote more support for the miners among other trade unions. Even in hard-line areas like South Wales, local union chiefs have said that only the prospect of a settlement could bring prior-life loyalty from crumbling. On Feb. 18, when the TUC's liaison document with Prime Minister Margaret Thatcher, an agreement seemed imminent. But the initiative collapsed two days later when the NUM rejected a peace formula giving the government-coal board the right to make the final deci-

sion. Their support for a 16-month-old NUM overtime law in support of a pay claim. The union pointed the law before the coal board's plan to close 20 mines, with the possible loss of 20,000 jobs, provoked the current strike.

Still, the most threatening development for Scargill was the momentum for an immediate return to work—with or without a settlement. Roy Thomas argued that it would be better for the union to lead members back to work than allow the drift to continue. After a seven-hour crisis session last Thursday, the union agreed to let 100 regional delegates decide the issue at a special Jan. 24 meeting. Said Dr. David Jenkins, the bishop of Durham, on Friday "It is a question of the miners simply accepting the fact that they have lost."

—DORR NORTH is London



Mulroney with Seaga (seated left) in Kingston, stopping short of Seaga's demands

#### JAMAICA

## Rebuilding a 'sense of family'

It was, in appearance at least, a serene performance. Making his debut at an international conference, Prime Minister Brian Mulroney last week won the respect of 14 heads of government attending a meeting of Caribbean and Commonwealth Caribbean leaders in Kingston, Jamaica. Mulroney did it as much with style as with substance, renewing what he called a "sense of family" between Canada and the Caribbean and pledging to convey West Indian leaders' concerns for increased economic aid to President Ronald Reagan during their meeting in Quebec City next week. It was a message of genuine concern and it clearly impressed the conferees. Said Dominica's Prime Minister Eugenia Charles afterward: "He didn't make us feel like we were in the wrong church, in the wrong pew."

Despite the conciliatory style, Mulroney avoided agreeing to requests for more tangible benefits. With the support of his Caribbean colleagues, Jamaican Prime Minister Edward Seaga, the meeting's host, recommended that Ottawa agree to a one-way free trade arrangement that would allow garments, footwear, signs and other high labor content items into Canada without customs duties being charged. The Canadian delegation pledged to study the British proposal, but privately officials described it as "not as simple and straightforward as it seemed."

Instead, spokesmen say that the Mulroney government wants to help solve the Caribbean's chronic economic problem by placing greater emphasis on pri-

ority investment and joint ventures. Canada already has a formidable commercial presence in the region. Canadian banks control about 50 per cent of all the assets held in Jamaica. But Prime Minister John Compton of St. Lucia noted that Canadian investment is unevenly distributed in the Caribbean and he declared that Canadian entrepreneurs had neglected the region. Nor has the Reagan administration's Caribbean Basin Initiative, which grants tariff-free entry to U.S. markets for Caribbean products, produced the predicted economic miracle. One of the reasons has been economic red tape. Said one frustrated specialist: "It can take up to a year to get a telephone, Telex or post office box."

During two days of talks in Kingston's handsome Jamaica Conference Centre, Mulroney tentatively began to develop a personal diplomatic style, distancing himself from his predecessor, Pierre Trudeau, and to some extent from the United States. Referring to Washington, Mulroney said: "We come from different backgrounds, and view the world in a different way." But most Caribbean officials welcome Ottawa's warm relations with Washington because, as Seaga told the Prime Minister, quoting an old Swahili proverb, "When elephants fight, it is the grass that gets trampled." And for most Caribbean nations the difference between Mulroney and Trudeau is in many ways a salutary one. "At least, one leader told a Canadian delegate during the meeting, 'he doesn't lecture us'."

—TERRY HARRINGTON in Kingston

#### THE UNITED STATES

## Timely aid for the farm belt

In Ames, Iowa, 15,000 farmers from across the Midwest gathered at Iowa State University and pleaded for help in fighting the debt crises that is threatening rural America. Then, even before their demonstrations of the Republican administration's farm policies were complete, both Houses of Congress in Washington responded. In a sharp rebuke to President Ronald Reagan, who has threatened to veto any increased farm aid, the two chambers approved proposals for emergency loans that, on the eve of spring planting, could make as much as \$300 million in additional credit available. Eight Republican senators—four of whom face reelection next year—and 54 Republican congressmen broke ranks to support the relief measures. Said Senator Charles Grassley (R-Iowa): "There is a disaster out there in agriculture. I can't turn my back on the farmers."

The nonpartisan Congressional Budget Office estimates that the proposals would add \$17 billion to the current fiscal year's budget. But the White House, denouncing the congressional vote as "budget baiting," warned that it could cost more than twice that amount. The administration is determined to overhaul the nation's costly agricultural policy, which consumes four per cent of the federal budget. Budget director David Stockman, for one, last month attacked the notion that the government should assist farmers who, as "conserving adults," had borrowed money to expand at high interest rates. Then, Secretary of Agriculture John R. Block unveiled the administration's controversial proposals for gradually scaling back subsidies and eliminating direct farm loans altogether. And Reagan himself attempted to minimize the gathering crisis, asserting in a Saturday radio address that only a minority of the nation's farmers were actually facing financial ruin.

Last week's credit relief proposals still have to clear major legislative hurdles, including the threshold presidential veto, before they can be of any help to farmers who otherwise might be forced to declare bankruptcy by the end of the year. But lawmakers insisted that the aid was needed in the next two weeks to enable farmers to buy seed to begin spring planting. "Any later," said Representative Thomas Coleman (R-Mo.), "and credit will be a moot point for thousands."

—MARK McDONALD in Washington

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## The rising cost of austerity

By Ronald Buchanan

Only days in Mexico a worker wearing government-made clothes may drive his car in government gas to his government job, lunch on government-produced food of government-made plates and, after work, unwind in a government-owned cabaret. The catalogue of enterprises owned by the government of Mexico is vast and ubiquitous. It includes not only the na-

tional \$84-billion budget for 1985, is aimed at reducing a mountainous economy, crippled by a \$66-billion foreign debt. In two years Mexico has trimmed the public sector deficit to just 69 per cent of the gross domestic product from 77.6 per cent. The annual inflation rate has been reduced to 66 from 109 per cent. Now, the government intends to make further cuts, selling off publicly owned enterprises, eliminating 80,000 jobs and slashing government subsidies. But the



Unemployed Mexicans selling services in Mexico City, flying the flag.

tion's oil production and marketing monopoly, Petróleos Mexicanos, but construction companies, hotels, a bakery, a sweater-knitting factory, sugar mills, a ceramic centre and Sicoe Veracruz, a cabinet that caters to a middle-class clientele in Mexico City. Some of the state-owned companies make money, but many do not. Now, the worst-off but most-poor Mexican government is engaged in a program to get them more than one-quarter of the 800-state-owned firms. "Of course the state will hold on to the strategic industries," explains Planning and Budget Secretary Carlos Salinas. "But what on earth is it doing making customers waiters and losing money doing so?"

Behind the move to liquidate (sell) is a record of austerity and reform announced last month by Mexican President Miguel de la Madrid. He said the austerity program, designed to cut \$1.2 billion (U.S.) from the nation's projected

ed \$84-billion budget for 1985, is aimed at reducing a mountainous economy, crippled by a \$66-billion foreign debt. In two years Mexico has trimmed the public sector deficit to just 69 per cent of the gross domestic product from 77.6 per cent. The annual inflation rate has been reduced to 66 from 109 per cent. Now, the government intends to make further cuts, selling off publicly owned enterprises, eliminating 80,000 jobs and slashing government subsidies. But the

in the central city of Guadalajara—now considered a major staging point for drug barons and cocaine into the U.S. narcotics market—the Reagan administration is debating whether or not to post a trust advisory warning Americans travelling south of the Rio Grande. Such an advisory would pose a major threat to tourism, the country's second-highest foreign currency producer, more than \$1.7 billion in 1984) after oil.

De la Madrid campaigned on a platform of eliminating corruption and has scored some notable successes, but some observers believe that the problem is so deeply entrenched that it defies eradication. The result: an erosion of faith in the system by the Institutional Revolutionary Party (PRI), the perennially reelected political alliance that has ruled Mexico without interruption for 50 years in what amounts to a benign dictatorship. A former president, "They were by means or force." A rigged vote would unleash a political tsunami. Says PRI party leader Pablo Emilio Madero, 83, former business executive and nephew of Francisco Madero, president of Mexico in between 1911 and 1913: "When revealed crimes are closed, the reaction of people [cannot be controlled]."

Until now, Mexico has needed the upstarts that have entered other Latin American nations. But the nation faces years of stringent austerity—a formula a few governments in the world used and its population is exploding, with some 300,000 young people entering the job market every year. The result, many observers fear, is that de la Madrid is holding a political time bomb, its fuse already lit. □

stayed bloody riots which left at least one person dead and 50 wounded after party leaders charged PRI officials with electoral fraud. It was the worst outbreak of political violence in years.

Although the PRI's power is still healthy, its influence is growing in municipal politics, particularly in northern and central areas. And with midterm congressional elections scheduled for July and seven state governors' seats at stake as well, the vote could be de la Madrid's plan to oust the federal government's role in the economy. The PRI now holds 50 seats in the 400-member federal Chamber of Deputies to the year 200, the remaining 96 are held by smaller groups. The federal Senate belongs entirely to the PRI, which also controls all 31 state legislatures. For the July elections the PRI has fielded candidates in all fields and is counting on winning disaffection among the middle class and urban poor for new support. "People don't always support us for its policies or even know what its policies are," says Garrido Arreola, an editorial writer for the left-wing Mexico City daily *La Jornada*. "Often, they support it simply as a means of protecting the job."

PRI officials are particularly hopeful about gaining political control in the northern state of Sonora. The party has built solid support in urban areas and broken new ground by winning the election of wealthy rural farmers. But observers predict that the PRI, which has never lost a state governor race, will refuse to relinquish Sonora. "I can't see this thing," says a diplomat. "They will win by means or force." A rigged vote would unleash a political tsunami. Says PRI party leader Pablo Emilio Madero, 83, former business executive and nephew of Francisco Madero, president of Mexico in between 1911 and 1913: "When revealed crimes are closed, the reaction of people [cannot be controlled]."

Until now, Mexico has needed the upstarts that have entered other Latin American nations. But the nation faces years of stringent austerity—a formula a few governments in the world used and its population is exploding, with some 300,000 young people entering the job market every year. The result, many observers fear, is that de la Madrid is holding a political time bomb, its fuse already lit. □



De la Madrid, on an edge



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## A shaky performance



Chernomko fleebles

As his first, Aides bowed to each other, apparently willing to catch him if he should stumble. The shaky performance, repeated at a televised ceremony Thursday, raised serious questions about Chernomko's ability to carry out his Kremlin duties. It also contrasted sharply with the vigorous election-day appearance of his chief Politburo deputy, Mikhail Gorbachev, 54, who is increasingly regarded as the new apparition.

## Backing down on prices

Food price increases have traditionally been an explosive political issue in Poland. In 1970 and again in 1980, attempts to raise prices against rates that led to the downfall of Communist party leaders. With that lesson clearly in mind, the Polish government last week abandoned plans for an across-the-board food price increase that would have raised the cost of living by as much as 4.2 per cent. Instead, authorities will institute gradual increases allowed by cash compensation for the year. The decision averted a threatened showdown between the government of Gen. Wojciech Jaruzelski and the dissident trade union Solidarity, which had planned a 15-cen nationwide work stoppage to protest the increases. With Warsaw's announcement, Solidarity founder Lech Walesa called off the strike, saying that the union had "achieved its aim of forcing the government to back down." But authorities said that opposition from the country's officially sanctioned unions—not the outlawed Solidarity—had prompted their change of mind. Whatever the reason, the decision provided only a temporary reprieve for hard-pressed Polish consumers. Reducing state subsidies is a key element in the government's long-term economic strategy, and that could bring further crises in living standards. According to a report compiled by Solidarity, 80 per cent of Poles already live below the poverty line, and real incomes are at the same level as they were in 1946.

## Norway's spy thriller

"I stand in this court and battle for my life." With that statement Norwegian diplomat Arne Treholt became the central figure in Norway's most sensational political trial in years. Treholt, 48, is accused of spying for the Soviet Union and leaking out a 10-year period beginning Jan. 30, 1964, when he was arrested at Oslo's Fornebu Airport with a briefcase full of classified documents. Chief of the foreign ministry's press office at the time, he allegedly planned to deliver the papers to a contact in Vienna. According to the prosecution, Treholt's career in espionage began after he attended a secret orgy in a Moscow home in 1955. A Soviet diplomat,

Gennady Titov, used photographs from the evening to blackmail Treholt into passing information to Moscow. In subsequent years—as an official in the Norwegian government, a diplomat at the United Nations and a student at the Norwegian Defence College—Treholt is accused of giving the Kromag intelligence (top secrets and details of talks between Norwegian officials and world leaders, including Canada's Pierre Trudeau). He is also accused of selling military information about the Middle East to an Iraqi agent. Once considered a rising star in Norway's foreign service, Treholt pleaded not guilty to the charges, saying that none of the secrets compromised Norwegian security. But on the stand last week he conceded passing confidential material and, if convicted, he faces a jail term of up to 20 years.

## Trouble for Tanaka

Tight-fisted doctors at Tokyo's Teishin Hospital would only confirm that the patient had suffered a mild stroke—but the report was enough to send tremors through Japan's political establishment. Attending to the patient's power, a stream of visitors arrived at the hospital—among them Prime Minister Yasuhiro Nakasone—and afterward held backroom meetings to discuss possible changes in the country's power structure. The man at the center of the turmoil, Kakuei Tanaka, former prime minister and the undisputed godfather of Japanese politics. As leader of the largest faction of the ruling Liberal Democratic Party, Tanaka, 66, was the driving force behind Nakasone's 1982 election as top president and prime minister. And he maintained his remarkable influence despite a 1983 conviction for accepting a \$2-million bribe from the Lockheed Aircraft Corp. in the early 1970s. Recently, however, Tanaka's backstage grip seemed to weaken when one-third of his 128-member faction, led by Finance Minister Noboru Takeshita, formed the loosely named "Bosenka," or circle for creative politics. The new study group, observers said, was set up to strengthen Takeshita's own campaign for the prime ministership. Tanaka's illness, which left him partly paralyzed and unable to speak clearly, may have his decline and led to the downfall of Nakasone—popular at home and respected abroad, but without a significant power base within the LDP.

## A deadly new weapon



Pavlov's carnage

The attack on the police station in Northern Ireland featured an unusually heavy firepower, and the result was devastating. Using a truck-mounted mortar, Irish Republican Army guerrillas lobbed six bombs into the crowded station in the mainly Catholic town of Newry last on Feb. 28. Nine people were killed and more than 30 injured. "Nobody had a chance, and the carnage is awful, quite appalling," said

a police spokesman, as Protestant leader Rev. Jim Paisley suspected the same. The use of mortar shells, fired by remote control at a range of 180 m, eased fears that the IRA had gained a potent new weapon in its struggle to end British rule in Ulster. And the guerrillas actively encouraged that perception. Said an IRA commander: "This is a major and well-planned operation initiating our ability to strike where and when we decide."

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Oil pump in Grim Mills, Alta.; at stake are billions of dollars in revenue and the credibility of the new government

## BUSINESS/ECONOMY

# Splitting up the energy spoils

By Robert Collison

When he was on the campaign trail last summer Bruce Maloney pledged that he would return peace and prosperity to Canada's troubled energy sector. He added that he would sign new deals with the energy-producing provinces and implied that he would dismantle the Liberal's National Energy Program (NEP), with its nationalized and interventionist designs. Then last month Maloney took the first step in that direction when he signed the Atlantic Accord in St. John's, giving Newfoundland control over its offshore energy resources. But his ability to deliver on his remaining commitments is now being severely tested in talks between Ottawa and the western provinces over energy pricing and revenue-sharing. As Energy Minister Peter Cussey prepared to resume negotiations with her Alberta counterpart, Jean Zaugg, \$24 billion in revenue generated by Canada's energy sector remained to be divided between Ottawa and the producing provinces.

With a deadline of March 31 set for an agreement, the Tories are trying to settle Alberta's and the industry's major grievances with the NEP. Although the energy ministers from British Columbia and Saskatchewan are participating, the talks with Alberta are critical because the province's oil and gas revenue accounts for 80 per cent of Canada's energy earnings. Fish on the 31st deadline is the date of the lucrative Petroleum Gas and Revenue Tax (PGR), a wellhead tax worth more than \$2 billion a year to Ottawa. Alberta considers the tax to be a royalty on production and an infringement of the province's constitutional right to assess royalties on natural resources. For its part, the oil and gas industry claims that it can re-energize the economy if government lowers its tax take.

Like Alberta, the industry is calling for the PGR's abolition and for a tax on profits to take its place. As well, the industry wants Alberta to slash its own royalties by 20 per cent, or about \$1.3 billion. Said Ian Waddell, energy critic for the New Democratic Party: "Signing with Newfoundland was easy because

the oil has not started to flow yet. New Maloney is dealing with [Alberta Premier] Peter Lougheed—and he is no tough customer."

In politics, the federal Conservatives are still representing confidence that an agreement will be reached. In New York recently, Finance Minister Michael Wilson called the energy sector a "magnet" for investment. He told an influential conference board audience, "Energy accounts for 30 per cent of total business investment in Canada." As well, he condemned the "previous government's heavy-handed and arbitrary changes to the framework of the energy sector [that] choked off both domestic and foreign investment." Added the minister: "Confronted with discriminatory taxes and incentives, investment has left and stayed away. This will change."

Some critics charge that the Conservatives are already beginning to abandon their earlier energy stance. Before the election, and Liberal energy critic Ross MacLellan, Maloney said he would abolish the PGR, but after they September triumph the Tories said that they would keep the PGR in force until

they reached an agreement with the provincial governments. Added MacLellan: "That alarmed Peter Lougheed. He was ready to resign but he has now decided to stick around for these negotiations."

For its part, the oil industry is intent on holding Maloney to his often-stated conviction that business should be the "engine" of growth for the Canadian economy. To do that, the industry says that it needs more money. In 1986 oil and gas revenue amounted to \$38 billion, and Ottawa took 20 per cent, or \$4.8 billion; the provinces kept 58 per cent, or \$1 billion, leaving the industry with 22 per cent, or \$2.2 billion.

The Calgary-based Canadian Petroleum Association (CPA) recently commissioned Toronto-based economist forecasting Eric Chase Kossonen to Canada to analyze the impact on the Canadian economy of a \$30-billion tax relief plan spread over nine years. (The figure assumes that each year, Ottawa would give up the \$5-billion PGR tax and Alberta would forgo \$1.2 billion in royalties.) The study concludes that industry would use the money to create \$100 billion in new investment and 300,000 new jobs.

Oil experts say that rather than dismantling the NEP the Tories still support the program's major goals—energy self-sufficiency and increased Canadian control. But they are intent on removing the NEP's more contentious aspects.

Also desired for central phase-out is the Petroleum Investment Program, which gives cash grants to companies for oil exploration. Industry says that it will probably be replaced by another type of incentive program: PIR grants, which cost the government \$1.6 billion last year, are almost universally criticized because they encourage exploration for its own sake. Develon Williams Daniel, president of Shell Canada Ltd.: "These grants reward activity and not results." As well, multinational firms contend that PIR grants are discriminatory because they pay out more to Canadian-owned firms. The grants should be replaced, Daniel says, with tax credits for exploration undertaken at the company's own risk. Analysts say that the Tories will probably recover lost revenues lost in reducing the PGR by eliminating PIR grants.

The industry also wants the Tories to shelve the NEP's widely criticized "buck or provision" that policy allows Ottawa to claim 20 per cent of any oil discovered on Crown-owned lands in the frontier and offshore.

The oil companies are also putting pressure on Alberta to reduce its royalty tax, now as high as 45 per cent of the revenue generated by a well. Recently, the premier's brother, Don Lougheed, executive vice-president of Esso Re-



Cussey (above) and Smyth (below) dismantling the National Energy Program



sources Canada Ltd., added his name to a growing list of industry leaders petitioning the government for a revision of royalties. According to Myron Karik, Alberta's deputy minister of energy, royalties may be "reviewed" if the federal government also reduces its tax share.

One issue on which industry and government agree is oil price deregulation. If prices were deregulated, industry would earn more because it could charge world prices for all its oil, and Ottawa would eliminate the costly Petroleum Compensation Charge. Currently the price of Canadian oil is determined by blending the regulated price of "old oil," discovered before 1974, and "new" oil found after that date and priced at world levels.

To equalize oil costs across Canada, Ottawa also levies the POC on all refiners and uses it both to fund development and to subsidize eastern refiners who must bring in expensive foreign crude. The former Liberal government allowed the POC to accumulate a deficit, which now stands at \$1.2 billion. The Tories raised the tax (which is passed on in the form of higher prices to consumers) when they took office, effectively reducing domestic prices to world levels. But how much the POC gives up is calculated in U.S. dollars, Ottawa's bill from the POC is split along the Canadian dollar's strength.

Because the world price for oil is now almost equal to the blended Canadian price, analysts say that consumers would not notice the difference if oil prices were deregulated. But Bruce Wilson, of the Consumers' Association of Canada, claimed that if prices are deregulated the public will have no protection from future increases. Indeed, Wilson's association has filed a judicial claim they are using for charging critics control prices to Canadians for their own resources.

With so many issues outstanding, however, it is doubtful that they would be negotiated if the March 31 deadline were missed. But none of the participants expects the Maloney government to increase its take of energy revenues. Said the CPA's Ian Smyth: "That would fly in the face of everything this government has uttered." And the industry is proceeding with a reasonable amount of good-will. Added Smyth: "No one has stepped away from the table and that is a big improvement over past federal-provincial negotiations." Still at stake are billions of dollars in oil revenues and the credibility of the new Tory government among some of its most powerful constituents.

With Ken Fife in Ottawa, Graham Stewart in Calgary, Emily Fife in Toronto and Brent King in Halifax

# "Consultation resulted in increased drilling activity in Saskatchewan, and shows possibilities for all Canada."

Glen Russell

Vice-President, Production and Development  
Gulf Canada Resources Inc.

The government of Saskatchewan consulted with the petroleum industry to find what could be done to encourage exploration and development; it came up with attractive incentives and results were dramatic.

Wells were drilled, jobs created, energy developed. Gulf Canada alone participated in the drilling of 148 wells in 1984. Each well drilled generates scores of jobs. New manufacturing and service companies opened their doors, while established companies were revitalized. Other provinces also benefited, through the supply of products such as aluminium and fibreglass pipe from Ontario; down-hole pumps and other parts from Alberta.

The Saskatchewan experiment has paid off all around - an excellent proving ground for new energy policies for the nation.

"Give us the incentive to drill," says the petroleum industry, "and the increase in drilling will create extra jobs."

The government of Saskatchewan consulted with Gulf and other leaders of the petroleum industry to seek ways to boost the province's economy.

The main adjustment resulting from the consultation: a year's holiday from provincial petroleum royalties on new production. In July 1982, the Saskatchewan government agreed to waive their 30 percent royalties for 12 months after a well started to produce, giving companies like Gulf improved expectations that drilling would yield a profit. This improved the economics and made drilling a more attractive investment.

The response to Saskatchewan's bold move has been quick and dramatic showing that, when the rules are changed, the industry will respond promptly. For example:

□ Industry drilling activity increased by almost 130 percent



Glen Russell is Vice-President, Production and Development for Gulf Canada Resources Inc. After graduating in engineering from the University of Manitoba, he joined Gulf in Edmonton. Career assignments include positions in Corporate Planning, New Energy Research, and Production, during which time he worked for three years in Gulf's Edmonton office. A earlier assignment was in charge of high school lectures in Calgary, Alberta. Glen still enjoys cycling in the company's once-a-week road league.

in Saskatchewan in 1983 and an additional 60 percent in 1984 with 2,569 wells completed

□ Gulf participated in 148 wells in Saskatchewan in 1984. Each new drilling operation creates scores of jobs directly and helps increase work for hundreds more. These jobs keep Saskatchewan people working at home - contributing to the province's economy

□ Because they can see the chance for a profit and a good long-term investment, many local private investors have been given the confidence to bankroll individual wells - putting their money into Saskatchewan.

□ Truck traffic has increased by leaps and bounds. Says a resident of one community, "It's great to hear the trucks rolling through all night again. Haven't been like that for years!" Good news for truck stops and repair shops



Larry Gabruch (left) Vice-President of Lift Systems International in Battleford, with Howard Heffernan, Superintendent, Battleford Operations. "When we opened our doors in 1983," says Gabruch, "we knew it was a gamble. Gulf was one of our first major customers, others followed, and we've never looked back." LSI along with many other businesses and industries in Saskatchewan, is benefiting from the new activity in oilfield drilling. Gulf Canada and other oil companies have been encouraged to drill in Saskatchewan by a special one year royalty holiday granted in July 1982 by the provincial government. The results: renewed confidence, more jobs, enriched government coffers

□ Yet another sign of the times - various companies that service drillers are opening branches in many Saskatchewan communities.

□ Construction is booming in drilling communities. Gulf has just completed a new office building in Estevan. Other buildings estimated to cost millions, are going up - with the obvious effect of creating extra construction jobs

□ In the past two years Gulf alone has spent over \$16 million on oilfield supplies and services for its Saskatchewan operations. The hundreds of millions of dollars spent by the whole industry touch suppliers in other provinces: pumpjacks manufactured in North Battleford use gear reducers manufactured in Toronto; wellheads for production facilities come from Edmonton.

□ Confidence in the Saskatchewan economy has strengthened to the point where big money is

being invested in manufacturing of pumpjacks in Battleford and sophisticated high-pressure injection pumps in Estevan

□ Ninety-five percent of the materials, including everything from steel well casings to drilling derricks are Canadian-made. When Gulf buys materials in Saskatchewan, Canada benefits overall, and Saskatchewan further benefits from the sales tax.

## Small adjustments pay back big in jobs and taxes

When Saskatchewan first gave incentives to drillers, the doubting Thomases said, "Why are we giving away all this royalty money to the oil companies?"

The answer has three parts:

1) Because Saskatchewan reduced the investment risk by foregoing the first year's royalty on each new producing well, drilling activity rose dramatically.

2) After the first year Saskatchewan will collect the 30 percent royalty for as many years as producers pump oil from the wells - income the province would not receive if the wells were not drilled

3) The province benefits from jobs created, taxes from a busier work force, sales taxes, and an increased energy supply.

## The Saskatchewan example can be a model for national policy-making

The remarkable burst in drilling activity in Saskatchewan demonstrates how the petroleum industry, with a little encouragement, can help create jobs and stimulate the economy.

An essential ingredient in the recipe for success was consultation. Saskatchewan chose to get together with industry people and the citizens of Saskatchewan benefited. So did many small and large oil companies. And so did many Saskatchewan investors whose confidence was shored up by government incentives for drillers.

Gulf Canada suggests that there are some principles in the Saskatchewan case that prove applicable in a national sense. As one Gulf official said, "When changes are made, the industry responds and when the industry is on the move, jobs are the result."

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# A threat across the border

By Jane O'Hara

American trade officials in Washington refer to it as the "lumber problem." But to Ottawa and to the depressed Canadian forest products industry a new threat of restrictions on lumber exports to the United States—which would cost Canadians thousands of jobs and in millions of dollars in lost sales—is a critical issue that requires constant vigilance.

After defeating a concerted attempt by 280 U.S. lumber companies in 1964 to have heavy import duties placed on Canadian lumber, Ottawa is again fighting to maintain an open border.

The latest attempt to protect the slumping U.S. lumber industry is the Canadian Softwood Import Control Act, a bill that was introduced in Congress earlier this month by congressional representative Jim Weaver, a Democrat from Oregon. Larry Craig, an Idaho Republican, and Daryl Anshury, an Arkansas Democrat. The bill was backed by 18 other congressmen and had the support of powerful forest companies and lobbyists. In introducing the bill Craig sent shock waves rippling through the Canadian lumber industry. Decried Craig "This recent onslaught of Canadian timber into the United States has reached intolerable levels."

The new protectionist move is a reaction to the fact that Canada has been gradually increasing its share of the U.S. lumber market. Canadian lumber firms have been helped by the falling dollar which makes their products cheaper in the United States than the locally produced American companies say that

import in Canada's share would have a devastating effect on the forestry industry, which has not yet recovered from the 1981-82 recession. When Canadian and U.S. officials met in Ottawa for trade talks last week, the Softwood Act topped the agenda. International Trade Minister James Kalisher said talks will resume later in March. "To see what we



Mooney is not that involved in a shaky industry

can do to resolve the differences."

American proponents of the softwood bill say that they want to negotiate a compromise that will make new legislation unnecessary. They would like the Canada to agree to "voluntary" quotas similar to those adopted by Japan to limit our imports. Sen. Scott Brown, then press assistant to Larry Craig "The good thing, like during the hunting season, we asked Canada to send more lumber. Now we want it to help us out in our bad times by sending less." Added Craig "We are hurting right now. Our lumber mills are closing and our folks are out of work."

But Canadian lumbermen are resist-

ing any curbs. Fred Mooney, vice-president, government affairs, with Vancouver-based forest giant MacMillan Bloedel Ltd., said that import restrictions "would mean that 10 per cent of the mills in British Columbia would slow down or close down. The bill is potentially a disaster for the province."

As well, Mooney and other industry spokesmen say that quotas would be extremely difficult to administer. For one thing, the 6,425-km border is so long, and there are so many border crossings, that customs officers could not easily calculate how much lumber was being shipped every day without creating lengthy delays. For another, it might prove impossible to get Canada's thousands of lumber producers to agree to voluntary restrictions. Canadian executives also argue that the lumber problem is largely the result of the strong U.S. dollar, which has made local producers vulnerable to European imports as well. Although lumber disputes first began in the early 1960s Ottawa has in the past successfully resisted Washington to resist evening restrictive barriers. In 1982 Congress passed a bill—later vetoed by President Lyndon Johnson—making it mandatory for imported wood to be stamped with the country of origin.

The most serious threat to Canadian producers arose two years ago when a group of U.S. lumber firms launched a campaign to impose a 35-per-cent duty on Canadian lumber. The U.S. companies claimed that Canadian wood was unfairly subsidised by government aid and so a result it should be subject to a countervailing duty. Then, the Canadian Softwood Lumber Committee spent nearly \$5 million in legal fees fighting the U.S. lobby. The effort succeeded when the International Trade Administration of the U.S. commerce department ruled that Canadian subsidies were so insignificant that they did not warrant a countervailing duty.

Now, spokesmen for the Canadian Forest Industries Council, representing forestry associations across Canada, say the fight against the Softwood Act will be less expensive. And many observers contend that the restrictive bill has little chance because the Reagan administration generally favors free trade. Sen. a congressional aide, who asked not to be named, said "The administration does not want the sort of legislation at this time. They can make sure the votes are not there." But as it lobbies against the Softwood Act, the CFI is leaving little to chance. Fred McLeod, Agency, the CFI's principal trade co-ordinator, "They want less Canadian wood in the United States but our contention is that it is an open market and shall remain so."

Phil Williams, *Journalist in Washington and*  
*Diane Jordani in Vancouver*

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Add to that the over 2 million Canadians who tuned in to special programs like **GENTLE SINNERS, CHARLIE GRANT'S WAR, CHAUTAUQUA GIRL and WAYNE AND SHUSTER**; add the 9.3 million Canadians who relied on public television for coverage of the Pope's visit, and you have a long list of people who should be very concerned by what's happening to public broadcasting in Canada! What's happening is that right now, only a quarter of all English language television available in Canada is Canadian. In popular drama, Canadian programs are out numbered 24 to 1 by American programs.

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# The dollar's uncertain dance

By Marc Clark

For central bankers throughout most of the industrial world, the past week brought a welcome respite. After a month of battering world currencies the U.S. dollar finally stalled when financial markets opened on Tuesday, Feb. 26. The next day, under cautious selling pressure from central banks in Europe and Canada, record

bankers around the globe who must decide how much to intervene in order to protect their currencies. In Canada, government and financial officials appear to have decided on a middle course, raising the Bank of Canada's benchmark 100 per cent over a two-week period while accepting some slide in the dollar's value.

Under attack in the Commons last week for his handling of the latest cur-

but loans and bonds designated in the currency of the nation of origin. With the wild fluctuations of recent years—the Australian dollar has lost 25 per cent of its value relative to the U.S. dollar in the past 15 months alone—millions can be made each day. According to Michael Lortie, vice-president and head of trading for Bank of America, Canada, a trader who sold \$100 million Canadian for U.S. dollars at the beginning of the recent slide, and bought them back after they had fallen three cents apiece, in seven days would have made almost \$4 million.

The timing is critical. And as traders jump on and off the bandwagons of falling and rising currencies, the money flow exaggerates the market's ups and downs. Read currency trading John McFague, vice-president of Wells Fargo Bank International, in New York. "It is almost as if the market has been picking random currencies to attack."

Late last week, the European government is asked an opportunity to stage what some observers called the largest concentrated intervention ever by central banks. When market traders began taking profits by cashing in U.S. dollars for weaker foreign currencies, the Europeans, led by the powerful West German Bundesbank, swiftly sold as much as 40 billion (U.S.), flooding the market and dropping the dollar's value even more. According to dealers, their action was well timed. On Wednesday the dollar lurched downward three per cent against the West German mark, its biggest one-day drop ever. One day earlier Finance Minister Wilson

# A revival on rue St-Jacques

By Bruce Wallace and Patricia Hunchy

When Pierre Lortie, 38, became the seventh and youngest ever president of the Montreal Exchange (ME) in 1981, his first task was to keep the market from shutting down. The election of the Parti Québécois agreement in 1978 had led to an exodus of banks and firms that created a decade-long decline in Montreal's financial district. Said Lortie: "Had our share of national trading dropped any lower, it would have brought the usefulness and the viability of the exchange into question." Now, the silver-haired, pipe-smoking Lortie has put the wax on the leading edge of Montreal's financial rebirth in his paper-cliffed office overlooking rue St-Jacques, one of Canada's major financial centers. Lortie displays the kind of confidence that characterizes a whole new generation of francophone businessmen in Quebec. His goal, he said, is nothing less than to make the wax "the dominant exchange in Canada."

Called "le grand Droug" (the great grayer) by his employees, Lortie is one of the well-liked and authoritative francophone executives who have re-



Lortie: "the great grayer"

plused the anglophone businessmen in Montreal since 1978. Indeed, his presidency, and those of Quebec businessmen Michel Bélanger and Robert Desrosiers before him, signal a new French-Canadian ascendancy at the ME, which was once such a prominent symbol of Anglo-Bascon financial power that the separatist group the Front de libération du Québec (FLQ) exploded a bomb on the trading floor in 1969.

Since Lortie took over, the exchange has undergone a major transformation. He has introduced a series of cost-cutting financial products, even gold options to American investors, and he has linked the exchange by computer with other world markets to speed up international trading. Last week the ME opened a London office to attract additional business, making it the first Canadian market with a foreign office.

Lortie's tactics enabled the ME to surge ahead last year when other Canadian markets sagged. In 1984 the value of trading on Canada's five stock exchanges dipped by 8.4 per cent to \$26.1 billion from 1983's record \$29.2 billion. But under Lortie's leadership the value of shares traded on the ME reached \$7 billion, up 36 per cent from the previous record of \$5 billion set in 1983.

The nation's largest market, the Toronto Stock Exchange, still outperforms the ME. Investors traded 21 billion



Record enormous surge of capital, worried central bankers and a volatile market

amounts of U.S. dollars were sold to buy up their own currencies, and the mighty greenback grudgingly yielded some of its gains. By week's end the Canadian dollar, which had hit an all-time low of 71.10 cents on Feb. 25, had rebounded strongly to close at 71.89 cents.

Some analysts said that the lull in the U.S. dollar was just a pause before the next onslaught. Others contended that it heralded a forewarned "correction" of the dollar's value. But few reports were willing to predict what the money traders would do next with the huge pools of speculative capital at their disposal. Said Barry Weinstein, chief corporate money trader for BankAmerica International in New York. "Last month they turned their guns on Australia; last week it was Canada. Who knows what will happen next?"

Indeed, the freedom of international money markets is proving to be a major problem for governments and their

money crisis. Finance Minister Michael Wilson acknowledged there was little Ottawa or the Bank of Canada could do to shield the dollar from the volatile market pressure. Wilson's European counterparts, who had watched helplessly while the dollar surged, would until it began to falter before selling an estimated \$2 billion (U.S.) to edge the dollar further downward.

The outcome and magnitude of enormous pools of capital as the money markets cause wild swings in currency values. Much of the cash is in so-called Eurodollars, U.S. currency accumulated in the mid-1970s to pay soaring oil import bills (oil prices are set in U.S. dollars). Market watchers say that there are trillions of U.S. dollars on the market, controlled easily by governments, multinational corporations and major banks.

Those dollars are not invested in fixed assets, such as factories or businesses,

announced that Canada would borrow another \$400 million (U.S.) to add to the bank's war chest for buying back Canadian dollars. That raised the total borrowed by Ottawa to \$1.9 billion since the previous Treasury.

In both Europe and Canada, economists argue that it is less the strength of the U.S. economy than the relative weakness of others that precepts the money traders' loss of American dollars. According to University of Toronto economist Jack Carr, government itself has helped to slow down the economy. He pointed to increasing levels of government regulation, and grants and loans to inefficient industries, which tie up money that could be put to use elsewhere. Said Carr: "The falling exchange rate is telling us something is wrong with our economy—and what has happened is that we have adopted policies that have slowed growth."

With Michael Sacher



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shares, worth \$207 billion, in the 1994 election—offers he declined.

As president of the exchange, Lortie was determined to keep pace with the rapid evolution of North American markets. Soon after taking the job, he dropped the word "stock" from the exchange's name to reflect the fact that it was selling everything from common shares to gold and commodity futures contracts that obligate its investor to buy or sell a commodity at a specified price and time. Lortie also ordered the installation of an advanced computer system to speed up share trading and he made the exchange part of an international trading network offering gold and currency options. The exchange was electronically linked last September to the Boston Stock Exchange, enabling Canadians to trade stocks in the United States by computer rather than by phone. Said Lortie: "By 1998 the Canadian exchange that survives will be the one that can best compete internationally."

Many Montreal businessmen also credit Lortie with giving the exchange a more central role in the province's economy. Said David Schizman, an investment analyst with Geoffries, Leclerc Inc. in Montreal: "Pierre has used his high profile to bring the market closer to the people." The exchange now offers advanced courses in experience investors and directs services to an association of 60 investment clubs across Quebec. As well, to show the public exactly how the market works, Lortie set up a mini-exchange which trades actual stock at savings and investment shows held throughout Quebec.

Said Lortie: "I cannot claim sole credit for the ME's renewed vigor. In 1979 the province introduced the Quebec Stock Savings Plan, which allows tax deductions of as much as 108 per cent on purchases of newly issued stock in Quebec-owned firms. More than 108,000 Quebecers invested in shares in 1993 alone, and total investment now exceeds \$1.5 billion. But this political support has caused controversy. Last fall ME president Pierre Bédard called the ME's resurgence an "aberration" resulting mainly from supportive legislation introduced by the Parti Québécois. Bédard in a recent interview with *Maclean's* Bédard posed the ME's performance, adding that it is "a direct reflection of Pierre Lortie's aggressive vision."

With North American stock markets hurtling back to life this year, the rivalry between the ME and the SE will intensify. Leaders of Toronto's financial community say they are not worried about the Montreal Exchange's new dynamism, but Bédard admits that the ME is finally looking over its shoulder at its fast-rising Montreal counterpart.

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TAKE A PONY FOR A RIDE



# A tight pair of new Tory shoes

By Peter C. Newman

**T**he Mulroney government's first set of spending estimates, issued last week, provided the last public glimpse into the precarious state of the nation's finances until the tabling of the Tory budget in mid-March.

Now the hard part begins.

The cabinet committee members and finance department officials drafting the working papers for Michael Wilson's long-awaited fiscal accounting are acutely aware that their most important audience will be the anonymous Wall and Bay Street numbers crunchers. Looking through the finance minister's soothing rhetoric, these astute financial market bankers will be looking for two main figures: the net amount by which budget deficit projections have actually been reduced, and the ratio between any increase in the national debt to the gross national product forecasts.

Nothing else will matter much. These two elusive calculations are the signals that will count in the private sector's decision whether or not to reinvest the spending surge of Canadian capital investment, which is the only way massive job creation can take place.

The national and international investment community has reached the unanimous conclusion that a budget grasping anything more than a \$20-billion deficit would undermine Mulroney's stated intention of dealing seriously with the deficit he inherited from Pierre Trudeau. Yet as late as the end of the dramatic cost-cutting in the interval the Ottawa spending estimates point to another \$20-billion deficit, leaving the national debt to \$225 billion by April 1, 1986. That would assign more than a quarter of all federal expenditures to the unproductive servicing of existing obligations.

The big problem is that Canada's debt load has been doubling every three years during the past decade, and is now now increasing at 12.3 per cent annually, compared to a growth rate of only four per cent in the economy. Unless that ugly spiral is halted, it could spell national bankruptcy by the end of the decade, with an annual deficit of at least \$60 billion by 1989.

What Mulroney and his senior advisers are attempting to put into place is the opposite of the Trudeau government's long-standing dedication to combating short-term necessary measures with fiscal policies so loose they seemed to be blowing in the wind. The switch-

around, if it can be achieved, would give the Mulroney administration the kind of credibility it needs to inspire the private sector. The Tories are also trying hard to attract funds from the many European and Asian countries where political instability is driving investment money toward safer havens—mostly into the United States.

While everyone seems to agree that



Wilson: now the hard part begins.

the deficit must be cut, how to go about it is a perplexed puzzle of no-man's-land proportions. During the free-spending Trudeau years the national debt multiplied by 10 and the annual deficit leapt from \$20 billion to about \$400 billion—although no one seems to remember precisely what we got for all that money. Still, the legacy of that time means that a quarter of every federal dollar must now be assigned to cover the

resultant debt, no receipt seems willing to surrender any of the Ottawa debt.

Early budget papers indicate that the search for cuts is concentrated in some of the less-essential social programs and tax exemption schemes for marginal industries. Also included is the possible imposition of selective income tax increases. These ideas will most likely take the form of eliminating tax shelters instead of raising basic rates in the top earnings brackets. At the same time, taxes on energy companies will be imposed on their profits instead of on their revenues, while oil and gas exploration incentives will replace the much-abused PIP grants. The government will continue to impose deregulation on an accelerated basis, and its plans for the privatization of a half dozen major Crown corporations are also due to hit the boards within the next three months.

The points being made by the authors of Mulroney's secret strategy documents are that the budget cuts cannot be merely cosmetic and that Wilson's declared intention of reducing the deficit \$20-\$40 billion by the end of the decade will not be seen enough—unless a near-part economy revives the revenue side of Ottawa's balance sheets.

The most innovative of the Mulroney advisers are calling for measures that will redirect the savings of Canadians away from banks, trust company accounts, and insurance policies to more productive uses. Because we are proportionately twice as rich as the Americans, even a one-per-cent switch would net \$4 billion free for investment purposes, requiring that much less to be raised through public financing.

With more than half of all new jobs in Canada now provided by small business, the Tory brains trust is especially interested in two innovations originally advanced by John Ballough, head of the Canadian Federation of Independent Business. One idea would be to funnel 90 per cent of market value out of self-administered ESOPs to establish and develop small businesses, instead of allowing such funds to be dispersed through mutual funds and other non-job-creating instruments. Another Ballough idea being seriously considered is allowing the owners of companies with 50 employees or fewer to write off their entire start-up costs.

These are some of the propositions currently under way far that all-important May afternoon when Michael Wilson puts on his new shoes and stands up to read the Tories' first budget.



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# The Holocaust Trial

By Hal Quinn

**W**earing a \$500 bullet-proof vest and a red band hat with the inscription "Freedom of Speech," a stocky, partly bald man walked out of Toronto's district courthouse last week after his conviction for knowingly spreading false news likely to cause racial hatred or religious intolerance. Ernst Zundel was smiling, even though a jury of 10 men and two women had just found him most ferociously held criminals to be dangerous lies. The 46-year-old publisher and graphic artist had to pay bail of \$1,000 to gain temporary freedom, his business suffered severely during his seven-week trial, and he faces a sentence of up to two years in prison. But as hard-battled supporters and reporters crowded around him, he flashed a defiant victory sign. Said Zundel: "I cost me \$40,000 to lose work—but I got \$1 million worth of publicity for my cause. It was well worth it."

Certainly Zundel has gained worldwide attention for his claim that the Holocaust—a universally accepted historical fact—was a hoax designed by Jews to win German reparations for Israel. And Jews and gentiles alike argued over the merits of bringing Zundel to trial at all, because it gave him a platform for his views. Said Toronto lawyer Clayton Raby: "What have you gained if the process of proving the news false gives him the chance to spread his crazy views?"

**Hoax:** Even the verdict on the two charges was not clear-cut. The jury found that by distributing a pamphlet dealing with the Holocaust—entitled *Did Six Million Really Die?*—Zundel had willfully caused harm to racial harmony. But in a second pamphlet Zundel argued that Zionists, Communists, Freemasons and bankers were engaged in a conspiracy to rule the world—and was found not guilty by a jury burdened with the onerous task of trying to distinguish between opposing opinions and disturbing facts.

Despite the verdict, which he may appeal, many Jews objected to a legal process that subjected survivors of Nazi death camps to extensive cross-examination about their experiences. Added Raby: "As a Jew, I want to know why we were persecuted and killed." The outcome of the



Zundel in bulletproof vest false news, a possible prison term, and risk of deportation

trial also disturbed another Toronto lawyer, constitutional expert Steven Manning, who said that although he disagrees with Zundel, the conviction raised questions about the right to exercise a historical event. Said Manning: "If a person cannot do so, then freedom of speech is meaningless." But 56-year-old Salomon Citron, a survivor of the Auschwitz and Bergen-Belsen concentration camps, and first justice had been served by the exposure and conviction of a man she described as a racist. Declared Citron: "The trial caused a lot of anguish and hard work—but it had to be done."

**Blat:** Citron is a member of the Canadian Holocaust Remembrance Association, a group which began work from the Canadian Jewish Congress in 1979 to pursue peddlers of hate literature more vigorously. Five years later Citron led a private charge against Zundel. The society's militant approach has caused deep divisions within the Jewish community, and Citron says that Jews who opposed laying charges against Zundel had a "false mentality"—a Hebrew term describing those who are subservient to persecutors. But Rabbi Gertzel Plaut of Toronto's Holy Synagogue People disagreed, saying that Zundel's views had now been given "the legitimacy of a hearing to society." Plaut added that reacting against attempts to minimize the Holocaust was similar to someone trying to deny a star suggesting that his partner was a prostitute. Declared Plaut: "You raise the question that maybe she really was. Suddenly the shame has become a matter of free speech."

The most dramatic act in many people, the most appalling moments in the trial came in the first weeks, when anti-trust Crown Attorney Peter Griffiths called Holocaust survivors to testify about their experiences in concentration camps. But observers may have been equally shocked at the aggressive cross-examination by defense lawyer Douglas Christie (page 40). One reason the victims' lawyer relentlessly challenged witnesses about their suffering, called some of them liars and argued with others about the concentration properties of human flesh and the color of bodies possessed by Zyklon-B gas

Arnold Friedman, 46, for one, a former inmate of the Auschwitz and Birkenau camps, recalled his experiences in detail. Testifying in a 60-seat courtroom in which concentration camp survivors had to sit beside Zundel, Friedman said that inmates who testified each other in food lines were in danger of being shot by guards or ripped apart by traitor dogs. Then he described the flames and smoke that belched from crematorium chimneys of the camp soon after the arrival of new trainloads of prisoners. But as his cross-examination, Christie said that the smell of what Friedman said was burning flesh prob-



Citron: successful over Zundel's railing privileges

bly came from a nearby tree foundry. In the end, Christie succeeded in casting doubt on Friedman's testimony when he forced him to acknowledge that the flames he saw might not have issued from human flesh.

**Corpses:** But equally vigorous cross-examination by the defense attorney could not alter the testimony of Holocaust survivor Rudolf Vrba. He is now a professor at the University of British Columbia in Vancouver and he spent two years at Auschwitz before he managed to escape. He said that he remembers seeing burning pits filled with bones, and that prisoners assigned to work on mounds of heaped-up corpses

recently wreathed gold filigree from the mouths of the dead. Christie accused Vrba of lying, and said it was impossible to dig pits in the marshy ground near the camp and that the prisoners whom Vrba said described as waiting in a death by gas before their bodies were burned in the crematoria were, instead, probably being taken to showers. Replied Vrba: "I saw 1,700,000 people walk into the gas before my eyes, knowing that they were going to die with no red cross and nobody came out, except as smoke. Would you perhaps suggest that they are still there?"

Later, Christie spent three days in a laborious cross-examination of Raul Hilberg, a University of Vermont professor who testified that after 17 years of study he had concluded that more than five million Jews died during the Holocaust. Christie challenged the sources of Hilberg's research and accused him of relying on studies and hints to create a statistical account of history. Then Christie called 30 witnesses, many of whom disputed the existence of concentration camp gas chambers. Robert Faurisson, a professor at the University of Lyons, France, himself convicted in 1981 by a French court of libel, racial defamation and falsifying history, argued that "the gas chamber charge is a fraud." And Ulfhild Feldner, a Swedish propagandist enlisted in his native country of fostering racial hatred, said he has seen secret areas at Auschwitz that contain a swimming pool, dance hall and sauna where prisoners enjoyed themselves.

**Reveries:** The courtroom battle made the Holocaust itself subject to scrutiny and argument. Such observers as Irwin Collier, a law professor at Montreal's McGill University, said that Griffiths should have asked district court Judge Hugh Locke to take judicial notice of the Holocaust at the beginning of the trial. If Locke had done so, said Collier, he would have done so, not that the judge that the Holocaust was an event of such accepted historical importance that they must simply accept it as fact.

Griffiths did in fact ask the judge to make that ruling—but only after he had already called concentration camp survivors and experts to the stand as witnesses. As a result the judge refused the request, saying that it would be unfair without allowing the defense to respond to the Crown's case. As the trial neared its end Locke told the jury that he believed that there was a overwhelming case that the Holocaust did occur. Declared Collier: "The Crown used a tactical error. Otherwise we might have been spared this absence of having the Holocaust on trial."

Before Crown turned to the courts the trial ended with Zundel's appeal from spreading racist opinions. In 1984

she succeeded in having Zandl's mailing privileges suspended under laws prohibiting the distribution of hate mail. The ban was enforced after police investigators who had seized neo-Nazi material during a massive raid in Stuttgart, West Germany, described Zandl as one of the world's largest distributors of hate literature.

Then, when a postal review board ruled that it could not permanently ban the privileges, and restored them, Gil-



son turned to Section 581 of the Criminal Code—Canada's so-called hate law—which since 1970 has prohibited the promotion of hatred against any identifiable group. But the section does not provide for private charges, and no prosecutor has yet managed to secure a conviction using it. Indeed, when Roy McMurtry was Ontario's attorney general he refused to file any charges under Section 581 because he was apparently not convinced that his department could win. But when Ottawa pressed charges under Section 177 of the code McMurtry let the case proceed.

**Shander:** As part of the code dealing with public assistance, Section 177 was not designed to deal with hate literature and it makes no mention of racial intolerance. It has proved as difficult to enforce as the hate law itself, with only two convictions—one overturned by a higher court. And many parents objected to its use in the Zandl case because it required the prosecution to prove that Zandl knew the information he was distributing was false. According to

prosecutor Toronto criminal lawyer Edward Grossman, bringing charges under Section 177 "was a major blunder, an unforgivable error on McMurtry's part." Grossman added that Section 177 required the Crown to prove that the Holocaust had occurred—and gave Christie the opportunity to examine survivors on the validity of their experience in concentration camps. He added

not stripped away his constitutional right. Freedom of speech Judge Leach's charge to the jury made it clear that he did not agree. But many others acknowledged their concern about the threat to freedom implicit in such a trial. Although Alan Borovoy, general counsel for the Canadian Civil Liberties Association, criticized "the colossal obscenity of portraying Nazi death camps

ville, Alta., mayor and high school teacher James Keegstra. Keegstra lost his teaching position in 1982 for telling his students that the Holocaust was a hoax and for promoting theories of a world Jewish conspiracy. His trial will be highly publicized—and like Zandl's—could increase pressure on Ottawa to change the controversial hate laws.

As Zandl moved in and from the

pross charged that Sarniadat was the world's largest exporter of anti-Semitic material to West Germany—a claim which Zandl does not deny. Instead he has boasted that he mails "tens of thousands" of letters each year to dozens of countries, including about 5,000 radio outlets in North America. And Jürgen Neumann, 34, a Canadian of German descent who has worked closely with



Borovoy (left); trainloads of prisoners arriving at Birkenau; Griffiths (right); cross-examines, debate over the massacre of concentration camp victims and deadly Zyklon-B gas

"This would have been an entirely different trial under Section 581. The use of Section 177 for hate propaganda is wrong."

University of Toronto history professor Jacques Korbay, who teaches a course on the Holocaust, added, "The charge hangs on whether or not the person had at least belief in what he was publishing, and it has the potential for catching a lot of other neoconformist ideas in its net." And despite his successful prosecution, even Griffiths agreed that the difficulties of Section 177 make its usefulness questionable. But Griffiths: "I cannot see this notion being used regularly."

Throughout the trial Christie argued that the charge brought against his di-

as Jewish country clubs," he added. Freedom of speech is also most important when it crosses discontent or dissent. Blow in the world was the Nazi ministerial law distinguish destructions based from constructive tension." Borovoy said that the outcome of the Zandl case might encourage generations for other allegations of historical distortion. Added Borovoy: "Could Catholic sympathizers be prosecuted for denying the morality of the Inquisition?"

**Walden:** Those cases pending under Section 581 of the Criminal Code may intensify the debate. "We deal with hate propaganda allegedly directed against Blacks and French Canadians but the most visible will involve Christie again. Next month he will defend former Role

courtroom surrounded by supporters and media representatives, he clearly basked in the public attention. He even published his own account of the legal battles, distributing two issues of the *Molocaust Show Trial News*, in which he wrote that the jury trying him included "11 Catholics and one United man." He also told his readers that he had been able "to play the Zeonists like one might a Jew's harp."

**Walden:** The *Molocaust Show Trial News* is the latest of thousands of publications by Zandl's Sarniadat Publishing Co., a company whose name comes from the Russian word for self-published underground books. Indeed, in the aftermath of the police raid in Stuttgart, the Canadian Jewish Con-

Zandl since 1973, credits that activity with bringing about the current trial. Neumann told *Molocaust*: "The best way to kill an idea is silence. We needed our antagonists for so long that they finally did what we would have liked them to do all along."

As a result, Zandl has had his name amplified. His views, as numerous comments on his personal practices (a professed pacifist) and ideas (including Adolf Hitler) have become common knowledge to Canadians in recent weeks. Among the details he was born in 1959 on a Black Forest farm in southwestern Germany, where his mother still lives. As well, he has four sisters living in Germany and a brother practicing law in California. Zandl immigrated to Canada in 1968

and soon after met his future wife, Jenick, a French Canadian, in a Toronto English-language class. The couple had two sons, and although Zandl and his wife separated in 1976 he says they are still on good terms. During the trial his former wife offered to cook for the friends and supporters visiting Zandl.

Many of those supporters have offered to help defray an estimated \$300,000 in legal bills, but Zandl, who has an excellent reputation as a photo researcher and graphic artist, said that although his legal battles have harmed



his business, he still earned enough to pay for the trial. Since he began free-lancing in 1961 his clients have included the Ontario MHA Marketing Board, Wander-lux, Henry Mark and Sons Ltd. and American's Solid Zandl. "I'm perfectly capable of financing the case. I can make as much money as a good attorney."

**Walden:** Zandl's insistence in the trial at left has no time to pursue other interests which range from participating in politics to writing books about unidentified flying objects (UFOs). Six of the 12 books he has written and published deal with UFOs, and he claims to have sold more than 700 of his watercolor and oil paintings. The high point of his political career was a run for the leadership of the federal Liberal party in 1968, a position eventually won by then-Junior Minister Pierre Trudeau. Zandl says that he relishes having annoyed the Liberals as a fringe candidate, particularly because he was bothered to question him closely enough to discover that he was not a Canadian citizen. Said

Zandel. "No one ever asked me. I could not believe it."

As a landed immigrant with a criminal record, Zandel could be deported to his native Germany if he loses his appeal. But, he said, "Why be deported to a place where I can be a first-class German?" The West German government refused to renew his passport in 1982, and Zandel said that being sent back to his homeland would be like being "rehabilitated as a parasite." He added, "I would be punished by being sent to a place where there are comfort, money and supporters."

**French News.** Zandel apparently has no intention of abandoning his adopted country or his east-central European home, which he shares with a flourishing group of fan or seven employees and supporters. After a bomb exploded in a garage behind the house last fall, Zandel fortified the three-story, 14-room Victorian structure with wrought iron and concrete barriers, fire-proof windows and curtains and a sophisticated 24-hour closed-circuit-TV surveillance system. Now, his avowed exile the house has "defence centre."

Throughout the trial Zandel kept in touch by walkie-talkie with the enlarged group of 30 supporters taking turns manning the surveillance system. It sweeps over the entrance to the main foyer, which is decorated with examples of Zandel's graphic art. The third floor is cluttered with almost 4,000 books, and the basement is dominated by a 15-year-old Rex rotary printing press, jammed between a bunk bed and a washing machine. Among the documents on the main and second floors are models, built by Zandel, of the Auschwitz and Treblinka concentration camps, along with a model 7000-ounce bagging a Second World War built anti-aircraft gun.

During his trial Zandel announced that after exposing the "Holocaust hoax" he intended to launch a campaign to overturn the verdicts of the 1945-46 Nuremberg war-crimes trials. First, he said, he will appeal the jury's verdict, although he claims that his not drastically affected him. "My writing will be a little more cautious in the future," he said, "and a little restraint might not be a bad idea. I went into the trial being prepared as a crusader. I came out of it as a man who certainly has come to question the things I thought I knew." But his trial has raised far more disturbing questions than it has answered, and they are certain to result in even greater turmoil among lawmakers and, indeed, all people of reasonable social conscience in Canada and beyond.

**With Peter Nelson Robert Elliott and Cy Ananian in Toronto and Don Burke in Montreal.**

# The search for warrimimals

By Ross Laver

They are three old men now, immigrants to Canada living out their winter years in peaceful obscurity. In Vancouver, a 69-year-old former heavy lecturer at the University of British Columbia spends quiet days in his white stuccoed bungalow as a secluded street in the city's east end. In Windsor, Ont., a 74-year-old retired steelworker lives alone in a small apartment in a senior citizens' residence, where he occasionally meets with friends to reminisce about their experience in wartime Germany. And in Amherstburg, Ont., a 65-year-old retiree lives quietly in a small white bungalow with Ukrainian paintings decorating the walls. All three enjoy comfortable, serene lives in their adopted homelands—disrupted only by persistent allegations that they, and countless others now at large in Canada, are guilty of brutal crimes against humanity committed during the Second World War.

**Convicted.** Although the exact number of Nazi war criminals and their collaborators who found sanctuary in postwar Canada remains in dispute, there is no doubt that many did so. Indeed, dozens of alleged war criminals living in Canada have already been convicted in absentia by courts in the Soviet Union, Hungary, the Netherlands and Romania. Others—as many as 2,000, according to Sid Litman, a Toronto activist who has written extensively on the Holocaust—are suspected of having participated in the torture and murder of Jews and non-Jews.

The striking point in bringing alleged war criminals to justice, Litman and others argue, is not a lack of evidence. Indeed, it is the federal government's insistence that it is powerless to prosecute alleged war criminals—and its re-

luct to enact new laws that would enable it to take action. Rabbi Abraham Cooper, associate dean of the Simon Wiesenthal Center in Los Angeles, an organization named for the Vienna-based Nazi hunter, called Ottawa's response "beyond belief." He said that as many war criminals found a safe haven in Canada as a black mark on your history. It is tantamount to spitting on the open graves of Nazi victims."

**Reluctant Bill.** Cooper and others hope that Canada's historical reluctance to prosecute wartime mass murderers is about to end. The reason: speculation last month that Nazi war criminal Josef Mengele, who served physical at the Auschwitz death camp sent 400,000 people to their deaths, may have tried to enter Canada in 1962 in response to public concern about that case, federal Justice Minister John Crosbie established a commission of inquiry on Feb. 7 to investigate how many war criminals are living in Canada, how they arrived and whether legal means exist to bring them to justice.

The commission, headed by Mr. Justice John MacGill, a former Dean of the Quebec Superior Court, will have a \$1-million budget, and it is to report its findings by Dec. 31. Said Crosbie: "The government is concerned that we are not harboring within our midst some of the individuals guilty of committing the horrible Nazi war crimes of the Second World War." Crosbie also said that the government is gathering evidence in other extrajudicial cases in which it may soon launch a prosecution, although he refused to provide details. And he added that he believes no more than 30 or 40 Nazi war criminals may be at large in Canada—on the hundreds or thousands that some Jewish groups claim.

In the past 40 years Ottawa has only acted once against an alleged Nazi war criminal. On June 13, 1969, Royal Canadian Mounted Police arrested German-born Albert Helmut Rausch while he was washing windows at his motel bungalow in the Toronto suburb of Willowdale. The 73-year-old Rausch, who had been a Canadian resident since 1956, was once a staff sergeant in Hitler's elite Schutzstaffel, also known as the Black-

at for the slaughter of Kuman. He was formerly indicted in Frankfurt on Sept. 28, 1962, but died of intestinal cancer in Kanan prison hospital a month later, before he could be brought to trial.

Despite the Rausch case, it seems unlikely that other alleged war criminals in Canada will be brought to justice. For one thing, officials in Senator General Elmer Mackay's department insist that the only way a Nazi or a Nazi collaborator can be arrested and tried is for another country to seek his extradition—as West Germany did in the Rausch case. In fact, there have been numerous requests for extradition, but



Boy prisoners in Birkenau; as chief physician, Mengele sent 400,000 people to die.

shorts—the crowded on. More important, Rausch was the officer in charge of Jews in the Kuman death camp in Lithuania and, according to West German records, was responsible for the murders of 31,586 Lithuanian Jews.

**Slaughter.** Under Rausch's command camp guards forced inmates to strip and stand at the edge of open graves before killing them with machine-gun fire. Five months after Rausch's arrest the Supreme Court of Ontario ordered him deported to West Germany to stand tri-

als—all of these cases from the Soviet Union or other Communist bloc countries that suffered under Nazi occupation. In each of the Soviet cases, however, Canada has denied the request on the grounds that Ottawa has not signed an extradition treaty with Moscow. Canada does have extradition treaties with Czechoslovakia, Hungary, Romania and Yugoslavia, but Ottawa has refused to return alleged war criminals to those countries on the grounds that the accused would not receive a fair trial.

At the same time, Ottawa has turned down numerous requests for extradition by Western European countries. In 1981 the Netherlands government sought the extradition of Jacob Liefkens after former members of wartime resistance forces in Holland traced the Dutch-born fugitive to Vancouver. Liefkens, who fled from Holland to Flanders after the war using an assumed name, entered Canada in 1961 and became a citizen in 1971. But in 1968 a Dutch court sentenced him in absentia to life imprisonment for aiding the Nazis during the war. He was accused of complicity in the deaths of a German army deserter and a Dutch underground member.

**Clear.** But Canada's extradition treaty with the Netherlands does not specifically cover collaboration with the enemy, so Ottawa refused to set on the request. Liefkens now lives under his own name in east Vancouver, where he attends Roman Catholic church services on Sundays. Asked recently about his decision to aid the Nazis, he replied: "As a young student in those days, it was my ideal to build a better world. I chose the wrong path." But he added that he personally had not murdered anyone. Said Liefkens: "I am in the clear with God."

Canada's failure to take action in such cases has prompted a storm of criticism from Jewish community leaders. Irving Geller, a law professor at Montreal's McGill University, for one, said that because of Ottawa's poor record of admitting Jewish refugees from postwar Europe, Canada should make an extra effort to track down and prosecute Nazi war criminals. Said Geller: "If there is one Nazi living in Canada, that is too many." For his part, Bert Raphael, a Toronto lawyer and president of the Jewish Civil Rights Educational Foundation of Canada, said that many Jews believe that federal politicians have let the criminals live. He said: "The attitude seems to be: 'So there is a dozen or so hotshot Nazis floating around. Big deal.'"

**Absolution.** Litman and other critics argue that Ottawa's lack of interest in pursuing war criminals arises in part from a reluctance to antagonize Eastern European immigrant groups. They note that the majority of those in Canada suspected of committing wartime atrocities are not German-born but Ukrainian, Romanian, Hungarian and Lithuanian. Litman said that such groups would likely be offended if one of their number were prosecuted for alleged war crimes. Indeed, last month there were angry protests from Toronto's Ukrainian community after reports that the city's Ukrainian Institute in an Israeli radio interview had upped its subcommittee in Canada, Wiesenthal said that 218 former Ukrainian officers of the SS who had operated death camps in

Berlin Europe were new in Canada.

In response to the charges John Novak, president of the Ukrainian Canadian Committee, told a news conference that the allegations "are not historically accurate" and impugn the reputation of Ukrainians in Canada. As was a Ukrainian Canadian, the president of the Ukrainian Canadian Committee told Modan's that according to his study of available records, his countrymen took no part in concentration camp atrocities. Said Michael Moroszek, 76, of Winnipeg: "There were no Ukrainian officers involved in running the camps. Only officers of the German army were allowed to."

**Pursued:** Most experts acknowledge that the United States has pursued suspected war criminals more vigorously than Canada. Since 1979, when President Jimmy Carter's administration established the Office of Special Investigations (OSI) to track down war criminals who settled in the United States, alleged Nazis or Nazi collaborators have been stripped of their assumed citizenship and forced to leave the country. Many were nuclear weapons experts. Said OS director Neil Shar: "We are in high gear now." Indeed OSI's 60 staff members, including lawyers and historians, with a \$3.5-million annual budget, are preparing to take 30 suspected war criminals to court and are investigating 200 others.

The most conspicuous success so far for Silver's unit came with the deportation to Portugal last August of Archbishop Valerian D. Trifa, 76, head of the 16,000-member Romanian Orthodox Episcopate of America. But it took nine years before Trifa—accused of inflicting a 1941 pogrom in Bucharest which killed at least 200 Christians and Jews—ended a legal battle to remain in the United States. Said Silver: "My history is an ordeal, indeed, process."

**Conceded:** Despite increased prosecutions against alleged Nazis, such critics as Representative William Lehman (D-Pa.) maintain that the U.S. government had a policy to avoid vigorous searches for evidence of war crimes. According to recently released intelligence documents, once after the war ended the United States launched a highly classified campaign called Operation Paperclip. Its aim: to conceal the war crimes of German scientists and intelligence agents in order to ensure their entry to the United States. Said Lehman: "After the war we were trying people and sentencing them to death in Nuremberg, and the same kind of people were being brought into this country to work on our rocket program."

In all, 490 German scientists and engineers were sent to the United States by May, 1946—among them the brilliant

Arthur Rudolph, who later developed the Saturn V rocket which took U.S. astronauts to the moon. When he retired in 1960 the National Aeronautics and Space Administration awarded him the Distinguished Service Medal, the agency's highest civilian honor. But in 1985 then-OSI director Allen A. Ryan visited Rudolph at his home in San Jose, Calif. Then, he learned the scientist that he had evidence that Rudolph had been production manager in a Nazi rocket factory where concentration camp inmates had served as slave laborers. Facing prosecution, Rudolph renounced his U.S. citizenship in May, 1984, after refusing to West Germany, where he is now living quietly in Hunsdorf.

The scheme apparently ended soon after it began when the RCMP learned about the operation and protested because it had not been informed in advance. Prime Minister's office general Robert Kaplan, who ordered an investigation, has accused the Conservatives of suppressing a report on the incident. Kaplan himself has also withheld details of the rivalry, arguing that the principle of cabinet secrecy prevents him from releasing such information.

For his part, Waisenthal says he is frustrated by what he considers to be Canada's charitable mood of harboring Nazi war criminals—and in protest he refuses to visit Canada. Since the Tory decision to appoint a special committee



Waisenthal (left), Kaplan: an investigation and a refusal to set foot into Canada

There are other instances of war criminals finding a haven in the United States. According to John Loftis, a former U.S. justice department prosecutor, more than 300 Soviet-born Nazi collaborators were spirited into the United States after the war in return for their participation in Cold War spy operations against the Soviets. At the same time, the British secret service sponsored a similar immigration service for Nazis wishing to go to Canada.

And a highly placed intelligence source told Modan's that several suspected Nazi collaborators entered Canada from the United States after the war using false documentation furnished by U.S. intelligence.

But I think I will wait until I have seen some results" Loftis says there are dramatic changes in government policy. It seems likely that elderly men and women accused of horrific crimes almost half a century ago will continue to live out their lives peacefully—and Waisenthal will not set foot on Canadian soil.

With Robert Black, Co-Journalist, Gene Silver, Co-Moderator in Vienna, Philadelphia, London and Montreal and in Los Angeles and Las Vegas in Windsor, Ont.

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## COVER

# The unpopular defender

By Rhona McKay

**W**rought-iron railings bar the windows of the white Victorian house in downtown Toronto. The heavy security, which includes behind the door a surveillance camera, has been in place since a bomb exploded six months ago behind the house owned by publisher Stuart Zandel. Now, Douglas Christie, a Victoria lawyer, has become a key member of the circle of supporters around Zandel, and he has moved into the well-protected house. The 38-year-old Christie, who defended Sordel on charges of wilfully publishing false information, has been Sordel's lawyer since the trial began in early January. Christie shares some of Sordel's doubts about the extent of the Holocaust and insists that he and the publisher have the right to express their views—no matter how unpopular that makes them. Declared Christie: "Freedom is the foremost possession of my life."

**Alternative:** This belief has left him largely isolated in his personal and professional life. In Victoria the tall bachelor operates a one-man criminal law practice from a small storefront office and lives in a \$250-a-month rented room, 24 km away. Despite an attractive courtroom manner, his peers consider him to be a competent lawyer. Arthur J. Bann, a member of the firm where Christie practiced, said Bann: "He is very capable in criminal law and very diligent. Dog, though, in kind of a 'Lone Ranger' type." Apart from his girlfriend, 36-year-old Kelcey Zukko, who has been his research assistant for the past three years, Christie acknowledges that he has few friends and adds that he rarely sees his parents,

in Cochrane, Alta. Instead, his solitary social existence allows him to devote his energy to two causes: defending freedom of speech and advancing western separatism.

**Discontent:** Christie first became attracted to the idea of western separatism in the mid-1970s. At that time, the federal government was dominated by

party that he estimated has 3,000 followers, the rest is new in dissent and no longer poses a threat to more established political organizations. Still, he remains confident that western separatism's time will come. Said Christie: "At the moment everyone in the west thinks that [Prime Minister] Mulroney is solving the problem, but it is only a matter of time before they discover that he is just another eastern politician."

While he waits for a significant revival, Christie has plunged into another area of notoriety: defending alleged racists. In a preliminary hearing last June, Christie represented James Kneeney, a former mayor of Sidsville, Alta., who had been charged with wilfully promoting hatred against an identifiable group. At the hearing, Provincial Court Judge Douglas Crowe ruled that statements made by the former high school history teacher "were capable of promoting hatred." Argued Christie, who was asked Kneeney, when the case came to trial in April in the Alberta Court of Queen's Bench: "James Kneeney and Stuart Zandel are lawyers for their cause and everyone else who loves freedom."

**Attacks:** These opinions have created strong reactions among large groups of Canadians and have led to personal attacks on Christie. In Victoria vandals broke windows and painted swastikas on the door of his law office last June. At the same time, Christie's law lawyers acknowledge that every defendant is entitled to counsel, but some find the Zandel case offensive. Declared Mark Silberberg, a Vancouver lawyer and executive director of the B.C. chapter of the Canadian Jewish Congress: "The Zandel trial is one of the most disgusting examples of what is called freedom of expression in this country. It is racism at an infinitely high level. I agree that these people are entitled to legal counsel. But I sure as hell would not be their lawyer."

For his part, Christie insists that aggressive freedom of speech means that no subject should be off limits—no matter how offensive the opinions expressed. He added: "No one dares to suggest that you cannot entice Jews. The Holocaust has become a sacred religion that will not tolerate criticism. If we do not fight every day for freedom, it becomes regressed." Last week's verdict did nothing to resolve that professed debate. But it warned participants to be careful how they presented their arguments. ☐



Christie: few friends, but a passion for freedom

western Canadians. For his part, Christie was convinced that growing western discontent could blossom into a strong separatist movement. Its ultimate aim: a union of the four western provinces in an independent nation. To that end he founded the Western Canada Concept, an organization that reached its peak with the 1988 provincial by-elections victory of WCC candidate Gord Keadler in Alberta.

But even in British Columbia, where Christie remains the elected leader of a

PHOTO BY GARY HARRIS

## The failed promise of class actions

**A**s a young Montreal lawyer in the 1960s, Pierre Marois fought hard on behalf of victims of the notorious asbestos thalidomide. But his efforts to gain justice for parents of thalidomide-deformed children were frustrated by the law's requirement that he plead each case separately. Marois was deeply disappointed by the process, and when he became Quebec's social development minister in 1976, one of his first priorities was ensuring that the law would never again impede similar cases. The result, in 1978, was Quebec's pioneering class action law, designed to accommodate individual plaintiffs "who wish to sue without a mandate on behalf of all the members" of an aggrieved group. At the time it was hailed by consumer advocates and jurists across the country as a vital legal reform. But now most observers concede that the law has proved virtually unworkable.

Said Patrick Glenn, McGill University law professor: "The law will likely sit quietly on the books, but it will never be the cure-all it was intended to be." In 1978 many jurists feared that Marois' law, designed to end what he described as "the little guy" in disputes with large institutions, would cause chaos in the courts as consumers rushed to sue corporations. But because it was hardened with so many clauses designed to protect both plaintiffs and defendants, judges have avoided drawn-out class actions. The law stipulates that any potential class action must be approved by a Superior Court Judge, and few of them have been willing to grant that approval. Now, only four of over 10,000 cases heard in the Superior Court of Quebec in a class action. Acknowledged Paul Unterberg, a Montreal lawyer who specializes in class action suits: "Our badging average with getting judges to agree to hear class is lower."

Quebec legislators patterned their law on the 1968 U.S. federal class action legislation, which is used mainly by public-interest lawyers in challenges to regulations. Although 95 per cent of cases launched in Quebec are settled at large settlements, on one or government, it is usually only the smaller suits that involve clearly defined classes that succeed. Said Glenn, an outspoken critic of class actions: "There is a limit on what the judiciary is supposed to do. How can a single judge hear the case of a vast number of people and be expected to see it implemented through all the appeal stages?" But even the small suits that do suc-

ceed extract an unexpected toll. Said Glenn: "Class actions are so terribly complicated and their intellectual and emotional burden so severe that not only judges, but parties and lawyers are also standing back from the process." Elaine Comartin, a Montreal university employee who sued a travel agent over a ruined 1982 vacation, was closely involved in one such case. Thinking it



Consumer: even the law's successes cut both ways.

offered her the best chance of success, Comartin chose a class action suit as a vehicle for her fellow vacationers, taking advantage of a public fund established to underwrite suits of that kind. But now, after "using up another awful vacation time reliving the whole awful experience again in a courtroom," Comartin is convinced that she should have sued in small-claims court, where cases are disposed of in a single day. Indeed, she is still awaiting payment of her court-awarded settlement. "I find

the whole process discouraging," she said, blaming the complications in the law. "Sometimes too much fairness can lead to unfairness."

Despite the law's failure to achieve its goals, other Canadian provinces are still studying the Quebec example as a basis for changing their procedures governing class actions. "The narrow judicial interpretation of our sparsely worded rule of procedure on class action means that its availability is extremely limited in all common law provinces," said Larry Fox of the Ontario Law Reform Commission, which in 1982 recommended a class action law.

Although that recommendation is under "active study" in the Ontario attorney general's office, the province has no immediate plans to introduce legislation. But, ironically, the failure of Quebec's law has renewed fears that similar laws in other provinces would clog court dockets. "We have watched the number of successful cases wane since the late 1970s, even in the United States," said Bruce Chesser of the attorney general's office.

If they do allow class actions, the common law provinces may profit from Quebec's experience, especially the example of its public fund, which is designed to encourage the use of the law by subsidizing even losing challenges. As well, 1982 amendments strengthened the law by withdrawing the right of appeal for defendants in authorized class actions.

Still, the future of the Quebec law is uncertain. It has failed to fulfil its original function—arming the individual wronged by a large corporation—and even its successes cut both ways. The week that Comartin spent in court fighting her suit "barely didn't seem worth it for \$600," she recalls. "The travel agent may feel the sting of the global lawsuit, but I can't have done almost as well in small-claims court and certainly experienced less stress."

—BRYCE WALLACE in Montreal

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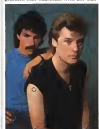
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Turner romancing a cow statue, a member of the Macs and an Appalachian woman

After her film debut as the seductive Nancy Walker opposite William Hurt in *Body Heat* in 1982, Kathleen Turner, 38ish, said, "I am finished with Marty. It is time for some other ladies." Since then, the diplomatically daughter who has lived in numerous cities around the world, including Windsor, Ont., has gratified film audiences with her cine-



Neil (left), Denis: more comfortable

matic portrayals of the sexy villainess Dolores with *Steve Martin* in *The Nisi* and *Two Women*, the beguiling Jean with *Michael Douglas* in *Romancing the Stone* and the seductive Chloë Blue in *Kate Winslet's* *Crucial Moment*. Turner will be back on the screen this year as a member of the Macs with *Jack Mulroney* in *Prison's Honor* (directed by John Huston), and as a self-sufficient single

mother with *Roger Moore* in *A Great Appear*. In April shooting begins on a sequel to *Downsizing the Stone*, in which she continues her role as Jean with Douglas and Danny DeVito in *Jewel of the Nile*. Maintaining that the rave reviews she has received "are great," Turner admits to wanting "the best roles, the best directors and scripts."

After a 36-year partnership, Philadelphia-born musician Deryl Hall and John Oates, both 35, owe their phenomenal success to a refusal to forget their music to any specific audience. "We just make music that we like," claims Oates. "We do not concern ourselves with statistics."

The statistics, however, are impressive. With songs that span a spectrum from contemporary adult through soul and rock, the duo has sold enough records to win five platinum and nine gold albums and six gold singles. Hall and Oates also performs in video, and they will be shooting one during their current concert tour which includes mid-March appearances in Toronto, Montreal and Quebec City. "I do not think musicians really bargained for video," said Oates. "We are feeling more and more comfortable with the medium, but we work hard on our lyrics, and when you have pictures you do not need strong words." In-

Mulroney: 'Solidus'



stating that they wish to maintain the integrity of their music, the two men say that they will produce their own videos in the future. "It is almost like a new aspect to our careers," said Oates.

Working mother **Mia Mulroney**, 31, the first Prime Minister's wife to have her own office on Parliament Hill, gave up her ambition to obtain an engineering degree in 1976 when she was expecting her second child and when her husband, Brian, was making his first bid for the Tory leadership. Now the couple is expecting a fourth child in September, adding to what she described as their "cherished" family of **Corbin**, 18, **Benedit**, 4, and **Mark**, 5. Mia will participate in all "confirmed appointments," including the launching this week of the Canadian Cystic Fibrosis Foundation's fund-raising campaign (Mulroney is the 1985-1986 honorary chairman). Saying that she has an old-fashioned view of marriage, in which "Brian comes first," she added, "Canada is based on family, and I think that people enjoy seeing a husband and wife working together."

Former Greenpeace president and one of its international directors, **Patrick Moore**, 37, who after leaving the commercial fishing industry over ecological issues, has entered the business himself. Moore has created a new salmon farming operation at his native Wester Ross, on the northwest tip of Vancouver Island, and he expects to reap his first harvest by the end of the year. Married with two young sons, Moore acknowledges that he has become increasingly controversial after working for all of his adult years as Greenpeace's highest-paid Canadian member, earnestly earning approximately \$20,000 a year. Domesticating salmon, he says, is an "ecologically rational" way to generate extra income. But Moore continues his association with Greenpeace and connects between his office in Vancouver and the salmon farm. Moore, who buys salmon eggs from the federal government, often a target of Greenpeace protests, says he will never leave the organization. "I think it is important for people like myself to stay involved."

—BORIS BEYETTE  
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# A rebel to the corps

By Michael Crabb

In rehearsals, when the thin, lithe man with the black mane of hair demonstrated a theatrical series of tiny steps from his own composition, *Blue Swans*, the National Ballet of Canada company members looked bemused the choreography of Robert Deemer was made an odd contrast to the usually grand gestures of classical ballet.

But the National has gambled \$300,000 on the Montreal-born choreographer's talent—the rest of mounting *Blue Swans* and promoting it at Toronto's O'Keefe Centre last week. By commissioning the work, the National's artistic director, Kiri Davis, made Deemer, 31, a key part of his plan to broaden the National's stage image, expand its repertoire and challenge the physical capabilities of its members. Since second soloist Jeremy Blanton, backed by Deemer to dance in the new work. "It is a great opportunity to let fly. It is like breathing new oxygen."

If anyone can accomplish all that, it is Deemer. Since he first joined his Deemer Dance Theatre company in 1984 he has produced as imaginative, uniquely English blend of dance and theatre which has attracted self-loathing boozies and critical accolades. The Toronto-based company's dancers have walked on their hands, performed back flips and crawled across the stage on all fours like wild beasts. A whirling Deemer himself appeared with a huge paper-maché nose string onto his nose while playing an accordion. Said New York Times dance critic Anna Kisselgoff: "His home-made carnival-like a freshness that New York's performance art pieces have already lost."

Although Davis says that Deemer is a catalyst for change at the National, his initial experience with the company was an unhappy one. Born to a middle-class Montreal family, he became involved with dance almost by accident, picking casually into ballet classes when one of his late sisters died. Deemer's teachers recommended that

their gifted pupil audition for the National Ballet School in Toronto. He graduated from the school straight into the National's corps de ballet—but lasted there only one season because he found classical dance stifling and stifled the representation. A dynamic dancer, he could have found a comfortable niche in any of Canada's respected contemporary companies. Instead, he



Deemer: reality's advantage is wider than people think. Why expect to understand anything?

inspire a wanderer. Always fascinated by the Baroque, he studied its rich, martial art, and named from company to company to explore different styles of dance.

In Britain, Deemer discovered the work of choreographer-director Lindsay Kemp, whose extraordinarily vivid imagery, incorporating drama, dance, mime and a dazzling array of staging effects, made a strong impression on the young man. Four years later, in 1978, Kemp brought his troupe to Canada. By the end of its run at Toronto Workshop Productions, Deemer had become a Kemp company member and joined its tour of Europe and South America. Residing in Toronto in 1979, he began to develop his own troupe—one that showed Kemp's influence. In March, 1980, Deemer went to a Toronto performance of the Deemer Dance Theatre and, he said, "My first reaction was that

I wanted to be up there, taking part." Instead, assuming the directorship of the National Ballet, he commissioned Deemer to create a new work. Bouncing up as a guest choreographer, Deemer's work on the National has changed. "It's in creating a company that is not totally comfortable," he said, "because he knows there has to be a certain edge. That is what I want my piece to do for them. I want them to be able to travel with it and not look like any other company." His wish is almost certain to be granted: everything Deemer has choreographed bears his unmistakable signature. Such works as *Ethnicity* (1984) and *ETHEL PERDUE*

(1980) show an almost childlike fascination with the possibilities of props, costumes, masks and swirling sets to open the gates to a personal fantasyland. Some critics have chided him for self-indulgence. But, said Deemer, "The landscape of reality is much wider than people think. Why should you look at that and expect to understand everything? It should prompt more questions than answers."

Brain is quite confident that the motto of *Blue Swans* has been worth the expense. "For most of the dancers in the most creative experience they have ever been involved in." And that is what excites Deemer most. "I am not trying to do any thing," he added. "I am just doing." As his growing audience is discovering, turning ideas into the theatre of movement is something the young choreographer does with a vital originality. —M.C.

# Cavalcade of the spectacular

In its world premiere before a capacity audience at Toronto's 2,500-seat O'Keefe Centre last week, choreographer Robert Deemer's *Blue Swans* transformed the National Ballet of Canada's dancers into the bizarre inhabitants of a surreal jungle. Coming at the end of a triple bill which offered more conventional fare, *Blue Swans* sparked The House of Modernity. But it also showed that Deemer's depictions heavily on his artistic collaborators. Without the propulsive rhythms of John Lang's and Alfred Haahtala's recorded score and the fantasy of James South's sets and costumes, Deemer's choreography would be ineffective to retain attention. His true gift is his ability to blend movement, spectacle and sound into a potent theatrical brew.

Deemer's latest work opened with whirling, jumping, ultra-contorted figures in boldly patterned black and white. Their presence was local. A curtain was lifted to reveal a humanoid giant, complete with cruel eyes, menacing jaws and huge hands. An ingested survivor managed to bark a gaping hole in the monster's deeply furrowed brow. Great rivulets of simulated blood—billowing crimson darts—poured from the wound before a mischievous troop of brilliant-red monkeys arrived. For the remainder of its 30 minutes *Blue Swans* continued to unfold in a tumultuously lit cavalcade of spectacular images. A program note for *Blue Swans* stated mysteriously, "The Liturgy of the Process of Life in the Sheddling of Skin within Forever." It did little to shed light on the work's progression of characters but it confirmed again that Deemer is a magician of the senses, not of mixed ideas. The monkeys were followed by primordial howled creatures in blue with extended yellow spines and garish red-tinted faces that hunched down from the wings to flatter the audience. Finally, the unidentified in the program as the "White King" emerged from the fanged jaws of a huge coiled snake to reveal the fallen.

By that point, *Blue Swans* had worked itself into a pitch that a steady audience would find difficult to sustain. The unpredictable. Deemer offered a final trick. An undulating lion serpent deeded the stage like a Chinese dragon and brought the work abruptly to an end. The opening night audience whistled its approval, one again, the show was of Deemer's "magical" and had its spell, showing off the National Ballet as it has never been seen before. —M.C.



Jagger, Neil, coming to terms with middle age, brotherhood and stardom

## FOR THE RECORD

# A high roller goes solo

Mark Jagger, arguably rock's most famous performer in the world's most notorious rock 'n' roll band, has traditionally enjoyed the image of a renegade who flirts with outrageousness. Jagger has taken risks both as the posturing, flamboyant leader of The Rolling Stones and in his own film projects, including *Performance*. But, significantly, the 41-year-old singer has never ventured into recording a solo album. Now, admitting to the media that music he had become a "little too safe," Jagger has released *She's the Boss* (1981). While his first solo album is far from a risky artistic step, it is a respectable effort, brimming with contemporary pop styles. As well, his lyrics indicate that middle age, fatherhood and Jagger's storied, well-publicized romance with ex-model Jerry Hall have redefined the early attitudes of rock's perennial bad boy.

Although Jagger has acknowledged in interviews that he is increasingly comfortable as the devoted father of his and Hall's year-old daughter, he reveals an approach to women as *She's the Boss* that may well surprise devoted Stones fans. On most of the album's nine songs he sounds vaguely feminist, portraying women as the stronger sex. On the anguished ballad *Hard Woman*, he sings of a "tough cookie" who treated him cruelly, while *Just Another Night* finds him valiantly pleading, "Can't you see that I'm human?" That song makes a sharp contrast to the 1966 Stones male-chauvinist but *Under My Thumb*.

Revelations of Jagger's sensitive side are not sufficient to sustain the material, but the album does offer first-time studio recordings, including gentle ballads Jeff Beck and Pete Townshend. It also boasts two talented producers in Nile Rodgers, who was responsible for David Bowie's successful *Let's Dance* album, and Phil Lawwell, who produced Herbie Hancock's *Rockit*. Such high-prime help has ensured that *She's the Boss* contains enough musical hooks to at least catch the listener's attention. Two songs stand out: the casual title track, with its wonderfully wobbly bass, happy guitar riffs and a cool, cool soul, and *Lonely at the Top*, with its delectably easy promiscuity and a soaring solo by Mick that conveys the agony and ecstasy of unrequited love. *She's the Boss* is as bland and predictable as pink floyd, but the songs are developed from simple guitar and bass lines extended to the point of tedious. Clearly, Jagger misses the magical talents of songwriting partner Keith Richards.

The album is disappointing. But it does confirm Jagger's innate good taste and his choice of producers and musicians and his grasp of current musical trends. His youthful, rebellious stance has given way to a cynical, decadent stage, but self-awareness remains his salvation. When he sings "In freezing in this hundred-dollar hotel room," Jagger not only reveals his sentiments of the trappings of pop stardom, he also shows that he can laugh at himself as well. —MICHAEL JENNINGS

## A ski team's dramatic downhill slide

In the late 1970s the Canadian men's downhill ski team propelled itself to international prominence for the first time with an aggressive style that earned its members the nickname "Crazy Canucks"—as well as 10 World Cup victories. But this season Paris, Ont.'s Todd Brooker—the last link to a glorious past—is leading a dispirited young team into what may be its worst finish in eight years. Brooker posted a dismal

spectable time for the 1986 Winter Olympics in Calgary. Indeed, the current lack of winning talent has raised doubts about the Canadian Ski Association's ability to cultivate younger athletes. Critics have charged that CCA officials were transfixed by the accomplishments of the original Crazy Canucks—Rene Pedersen, David Irwin and David Murray—and neglected the future. Clearly, they had plenty of warning.

World Cup races have concentrated almost entirely on the downhill over the past decade, neglecting the burning skills traditionally lauded in the "Nordic" disciplines—slalom and giant slalom. But the original Crazy Canucks had all mastered those skills before they narrowed their focus to downhill racing. Noted 1983 world downhill champion Pedersen, "These downhill victories tended to lead younger fellows to think they did not need to learn in any other discipline."

This year's World Cup results have dramatically exposed the weakness of that specialization. In response to the event's high injury rate, World Cup officials have slowed new downhill courses by setting up more turns, which have made technical skills more important than ever. And Swiss skier axed Hermann Baur's team's remarkable victories in all four types of World Cup races, including downhill, have demonstrated that expertise gained in one discipline can improve performance in another. Said Pedersen: "It may be an indication that the nature of downhill is changing." But John Ritchie, former coach of the men's ski team, warns against "knee-jerk reactions" to Baur's team's accomplishments. Ritchie says that Canada's focus on downhill was a result of necessity, not shortsightedness. Added Ritchie: "I don't think we

will see the age of specialization reversed."

For his part, Franz Klammer, 31, the grand old man of the White Group, says that the Canadian go-to-leave approach to slalom still suits the downhill best, despite the current issue's findings. Said Klammer: "It is the most spectacular event, as maybe it is better suited to the Canadian mentality." But with only one of the five men's gold medals in skiing at the Calgary Olympics going to a downhill racer, it is clear that Canadian skiers will have to expand their repertoire to maintain the country's status as a skiing power. Meanwhile, buoyed by Brooker's win, the downhillers can be expected to go all out to boost their standing in the last two World Cup races. Said a dispirited Brooker: "There is nothing else you can do really, except sit down, the hard way."

—PETER GUTTS, with Mary Higgins and Rene Rivka-Morales, Austria



Todd Brooker, with the Crazy Canucks all retired, a dispirited team struggles to rebound.

first-place finish in the downhill at the Canadian championships two weeks ago. Although he finished first in last week's World Cup Race in Furus, Japan, he stands a disappointing seventh in the downhill rankings. As well, his four young teammates—Pete Belczyk of Castlegar, B.C., Chris McIver and Don Stewart of Bowland, B.C., and Gary Adams of Kelowna, B.C.—are well behind the leaders. Said veteran Austrian skier Franz Klammer: "[Steve] Pedersen retired, Ken Read retired. There is only Brooker left. And the young boys are just not ready for World Cup."

The retirement of the team's leading members made some decline inevitable. But the unexpected loss of the Canadian team's veterans, coupled with the approximately five years needed to train youngsters in the fiercely competitive World Cup, has led many observers to doubt Canada's ability to field a re-

Said five-time World Cup winner Read: "The current situation is not much of a surprise. It was recognized long ago that the talent behind Todd was pretty shallow."

For his part, Glenn Wurtele, head coach of the men's team, says that his skiers have the talent to compete, and he adds that he is confident new talent will emerge. Said Wurtele: "The whole thing goes in waves. We hit the peak with those four guys and now we are in the trough and trying to get back out again. But it is not going to happen in 24 hours." Opposing the conventional wisdom, Wurtele contends that Belczyk, McIver, Stewart and Adams could all be gold-medal contenders at the 1988 Winter Olympics, along with any number of racers currently on the junior circuit.

Many observers argue that the crux of the Canadian team's current slump is the nature of its past success. Ruminating by the CCA, Canada's younger

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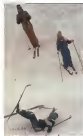


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Acapulco beach, this year many Canadians saw sunbathers were left in the cold by cancelled flights and over-booked hotels

## The dark side of a winter travel boom

The Farmer's Almanac forecast of an early and severe winter dismayed many Canadians, but it delighted tour operators selling winter vacation packages. And in most parts of the country their optimism proved to be justified. Thousands of chilled Canadians have sought relief from the cold and snow. Indeed, Robert Auld, president of the Toronto-based Alliance of Canadian Travel Associations (ACTA), says that the current demand is up substantially and has helped ease the price-cutting competition that Canada's \$5-billion winter travel industry has used to attract customers during the past three years. Still, for many of the tourists seeking the sun, the winter travel boom has produced unwelcome surprises. Some tourists and tour operators have clearly demonstrated that they are not ready to handle large numbers of visitors. As a result, the cherished vacation dreams of hundreds of winter travellers have dissolved into a nightmare of missed plane connections and over-booked hotel rooms.

This season the Dominican Republic has been the target of many complaints. A little-known Caribbean nation bordering Haiti on the eastern half of the island of Hispaniola, the republic is now a main tourist—a fact that makes it more interesting to many travellers. But it also means that the local tourism industry is not as well developed, and in two separate incidents last month a to-

tal of 90 Canadians arrived in the resort of Puerto Plata to find their reserved hotel rooms already occupied. Then, the tourists, most of them from Ontario, spent portions of their vacations sharing rooms in groups of five or sleeping in other hotels that were still under construction. Ontario Liberal MPP Hugh O'Neil, for one, was in the Dominican Republic when the overlooking occurred, and although he did not have to share his hotel room he intends to be in the pockets of those who did. Now he wants the province to investigate. Said O'Neil: "I just wish some answers as to why this happened."

Meanwhile, one group of Toronto residents who paid approximately \$1,600 each for a two-week vacation in Cancun, the Toronto company that booked the two tours. And Carmel Born, one of Canada's largest tour companies, is no longer selling vacation packages to Puerto Plata. A month ago Toronto-based Carmel told its agents to find alternatives for customers who had originally bought tours to that location—or refund their money. Said Carmel president Kenneth Gertner: "I

suspect that some of these hotels on some departure dates overbooked by as much as 100 per cent. Cancellations are usually a big problem but, unfortunately, nobody cancelled this time." Added Auld: "It is going to take a long time for the Dominican Republic to restore the industry's confidence."

Missed plane connections which stranded 450 Vancouver-based Canadian vacationers in Hawaii in January, proved disastrous for a Vancouver travel firm. Century Tours' problems began on Jan. 4 when a plane it had chartered failed to arrive in Honolulu. Century had booked the plane from South Pacific Island Airways (SPIA), an eight-plane airline based in Honolulu. But South Pacific could not meet its commitments because the U.S. Federal Aviation Authority had grounded the company last October after it discovered safety violations and after one of its aircraft strayed too close to Boston airport. An unexpected delay in SPIA's re-certification prevented the airline from picking up the tourists in Honolulu, and a lack of alternative flight arrangements left them stranded.

Stanley Graham, 70, of Rosemead, then Authority had grounded the company last October after it discovered safety violations and after one of its aircraft strayed too close to Boston airport. An unexpected delay in SPIA's re-certification prevented the airline from picking up the tourists in Honolulu, and a lack of alternative flight arrangements left them stranded.



Auld: heavy demand

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Kat-Davitskaya, was one of those stranded, and he handled the negotiations between Century and the British Columbia government, which eventually produced one jet from CF Air and empty seats on Western Airlines and United Airlines flights, to rescue the vacationers. Kat-Davitskaya's wife, Ellen, "We thought we had never seen such a beautiful sight as when the CF Air jet came down. People were cheering and laughing." The \$130,000 cost of the rescue came from a provincial travel insurance fund, backed by travel agents and created eight years ago after a rash of similar incidents involving B.C. charter companies. Meanwhile, an investigation by Stewart Goodings, B.C. registrar of travel, resulted in the provincial government suspending Century's operations for 30 days pending a review that could get the company out of business.

Scheduling problems have also plagued vacationers booking trips through Nationair, a two-aircraft firm based in Montreal. Nationair began diverting planes for trips to many popular Caribbean sea spots two months ago, but three dissatisfied vacationers have already filed class-action suits against the company on behalf of approximately 700 people, demanding compensation for time lost during delays and lawsuits. One passenger, George Archer, a Montreal insurance broker who flew to the Dominican Republic aboard a Nationair DC-8 in December, complained that his flight was delayed for six hours when leaving Montreal, north of Montreal, and another six hours returning from Puerto Plata.

For his part, ACTA's Asid says that only a small number of winter vacationers come home with billing problems. Indeed, he argues that loss seasons in recent years have wended out unfeared operators and "lured everybody in the business to come to their senses." As evidence of renewed stability, he said this year tour operators have drastically reduced the number of hotel rooms that they book in the expectation of last-minute business and that they are often forced to sell at discounts. He added that this has reduced problems arising from American Airlines, and has also again made it possible for travel agents and tour companies to make accurate budget predictions.

For those vacationers who have been stranded, subjected to lengthy delays or forced into inadequate accommodations, experts of worldwide stability in the Canadian winter travel industry may seem prevention. But without that stability and more Canadians will be discovering that the hard luck of the Russian's airport lounges are the worst possible places to get a tan.

—Paul McGowan, with Bruce Williams in Montreal.

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### BOOKS

## Strangers at the border

### DISTANT NEIGHBORS

By Alan Riding  
(Random House, 284 pages, \$22.95)

After ending his six-year term as *The New York Times* bureau chief in Mexico City, Alan Riding has written *Distant Neighbors*, a study of Mexican politics and society. It is a book that a journalist would write only when burning bridges. Accusing senior politicians and businessmen of corruption, Riding names names—including those of Mexico's past three presidents. His book has already been printed in the U.S. press as a classic, in part because there are so few books on Mexico available in English. But it lacks almost every aspect of a complete society in one medium-sized volume. As a result, it is valuable, but spends as little as a tortilla.

According to Riding, the core of Mexico's problems lies in a generational clash: the few *Traditionals*, Mexico is an agrarian, Indian society. But the new Mexico has been increasingly dominated by a Harvard-educated, technocratic elite. That elite has taken over the Institutional Revolutionary Party (PRI), which has controlled the Mexican government for more than 50 years. Riding says he fears the consequences. "A new breed has been transplanted onto an old body," he writes, "a Westernized, individualistic and materialistic minority imposed on an Oriental, reformist, communitarian majority—and the wilderness is uncomfortable."

Mexicans are indeed uncomfortable, not only with each other but with their fragmentary history. The bombastic Gen. Antonio López de Santa Anna, who defeated the Texas freedom fighters at the Alamo, lost his last three years later in a conflict with France. "Once recovered," Riding writes, "he helped overthrow the [Mexican] government, turned his feet with full military honors and then was in and out of power three times in 10 or 15 years."

More recently, Mexico has written its history in oil rather than blood. But the influx of oil money has proved to be both a blessing and a curse, stimulating the corruption already in pervasive in the Mexican government. Currently, Jorge Diez Serrano, the former director general of the state-owned oil company Pemex is awaiting trial for embezzling \$34 million. Riding also cites a report by Washington columnist Jack Anderson that the last president of Mexico, José López Portillo, stole between \$1 and \$5

billion during his six-year term of office. But for Mexico's impoverished majority, the new wealth has brought only rhetoric and, as new social programs have fallen behind the public's pet-rich-pet expectations, the danger of widespread unrest.

Meanwhile, the country's huge foreign debt, which Riding predicts will reach \$150 billion by 1991, is causing Mexico to mortgage its future to meet its current interest payments. As a result, says Riding, the entire economic system is collapsing. He observes there have no convincing explanations for Canadians he quotes critics of current President Miguel de la Madrid Hurtado who claim that he is "refusing this country a choice between 'Argentinism in Canadian'—that is, between prolonged stagnation or near-total foreign control of local industry."

Riding is a versatile journalist, and his lively coverage of Mexico's national traits has been equally at home in the *Times's* news, financial and sports pages. But in *Distant Neighbors* that flexibility can create an irritating superficiality. Riding even remarks that "Mexicans have to sleep at the least provocations." As well, passages that read like a knowledge census into material that could have been drawn from a banker's newsletter.

Still, Riding is at his best writing on subjects he cares about. Mexico's dispossessed inspire him to observations of surprising tenderness. "On any day, groups of men in straw hats and bearded sandals can be seen walking in single file along the streets as they might along a narrow mountain path," he writes, "or standing in honor as they ponder how to cross a busy downtown avenue." Riding's book is being promoted as the decade's definitive work on North America, perhaps not in that the true vision of *Distant Neighbors* lies in Riding's finely tuned reading of the Mexican heart. —ANNE NELSON



López Portillo, discredited

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## Ads that aim to entertain

For J. Walter Thompson, Canada's largest advertising agency, the past year was both painful and needy. Last month the country's largest brewer, Labatt, ended a 20-year relationship with the Toronto-based ad firm by switching contracts worth \$26 million a year to the rival firm of McCann-Erickson and Saatchi & Saatchi. Labatt already holds 40 per cent of the Canadian beer market, which last year was worth \$4 billion. Now, executives hope that stronger ad campaigns using the techniques of popular rock videos will lead to even greater sales. In addition to the new genre of commercials, companies have been using celebrities to endorse products and are crowding out 15-second commercials into a 30-second spot in a determined bid to reach an increasingly fickle and fragmented audience.

Labatt's archrival, Molson, indirectly prompted Thompson's downfall. Molson's series of 30-second commercial videos last summer, created by MacLean Advertising of Toronto, were designed to entertain as well as to sell. A



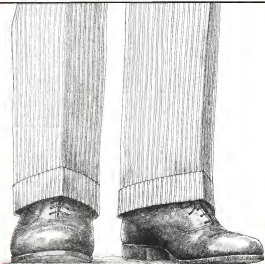
Gretsky: trying to increase cereal sales

prime reason was that cable TV has increased the number of channels available, and remote-control converters allow viewers to switch channels during commercials without leaving their seats. The companies and their ad agencies aim to arrest that trend with commercials that people will want to watch. Another tactic is the use of celebrities to sell products ranging from dog food (retired Canadian actor Lorne Greene) to cereals and sports clothes (hockey star Wayne Gretzky).

The growth of video cassette recordings (VCRs) has heightened the need for attention-getting advertising. Recent estimates by the ad agency Ogilvy & Mather indicated that 40 per cent of North American viewers will own VCRs within the next five years. The push for advertising is that growing numbers of viewers can hit the pause button of their VCRs during commercials to ensure ad-free programs during future screenings.

If the jury is still out on the video-style commercials, recent U.S. surveys have produced doubts about the potency of the "celebrity sell." Because many famous faces soon wear out their welcome, a new study done by Video Shopboard Tests Inc., an advertising research firm in New York, revealed that only five of the 10 Hollywood celebrities deemed "most effective" in a 1984 survey had retained their popularity

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with viewers three years later. Among the darlings was comedian Bill Cosby, who has promoted products ranging from automobiles to jelly puddings. Among the stars who faded from the list were veteran comic George Burns and actor Tim Bellick. Indeed, advertisers have begun to question the value of such high-priced pop stars as Michael Jackson. And Anne Parker, media director for the advertising firm Baker Lovick "Stars can be really costly—Jackson cost Pepsi about \$5.5 million."

The money that TV networks charge for a 30-second spot (as much as \$15,000 in Canada during prime time) also has led such advertisers as General Foods Corp. to begin using "split 30s" with two 15-second commercials running in the time usually allocated to one, thus reducing the cost of advertising individual products.

The ads have appeared on all three U.S. networks for the past year, since the Alberto-Culver Co. of Melrose Park, Ill., sued CBS television for refusing to carry the short messages. Unlike NBC and ABC, CBS had balked at carrying the minicommicals, arguing that barterages of 15-second ads would alienate viewers by adding "clutter" to the airwaves. The company and the network eventually reached an out of court settlement, and now split 30s featuring two Alberto-Culver products—shampoos and an artificial sweetener—are routinely aired on CBS network.

In Canada CRTC, an independent station in Hamilton, Ont., broadcast the first minicommical last month with an experimental 15-second plug for CRTC video. The Independent Television Committee, a self-regulating organization representing 14 private stations, has urged broadcasters to reject the shorter ads, repeating CBS's argument. Only CTV has refused to carry split 30s, while the Global network is waiting for its first minicommical under Part 30. In part, the CBC has not officially announced that it will carry the shorter commercials, but TV sales director John Malley predicted, "We will be on board with everyone else."

In the turbulent world of 15-second TV commercials and variety spots, rapid change and novelty are common. But although Labatt wants neither beer commercials, the company has decided not to sever all connections with its advertising past. Labatt public relations director Barry Sontzinger said that the company's Big Red Balloon would continue to fly across Canadian TV screens. Sontzinger: "The balloon is part of Canadian advertising legend." Still, if Labatt cannot continue to persuade beer drinkers to switch to Blue, the balloon—as well as its star ad agency—runs the risk of being grounded.

—CY JAMISON



# THE LOOKS ARE BROOKS

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Cowich, Wisconsin subject: a spiritual journey to the land of golden girls

## FILMS

# Young love on a joyride

THE SURE THING  
Directed by Rob Reiner

Giddy and effervescent, *The Sure Thing* is the funniest romance comedy since last year's *All of Me*. Carl Kinsley directed *All of Me*, and his son, Rob, keeps the fun flowing in the same playful way. As a tribute to the middle-class of current youth movies, *The Sure Thing* has a casual sophistication that is reminiscent of 1980s comedy. Its verbal slapstick is accurately timed and effortlessly delivered. And it has a time-honored comic subject: two people who cannot stand the sight of each other gradually fall in love.

Bob (John Cusack) is a freshman at a New England college who has one thing on his mind—finding the girl of his dreams. A bundle of energy and desire, the wisecracking Gibb is constantly (voiced) "How would you like a sexual encounter so intense that it could conceivably change your political views?" He asks one girl, who will have nothing to do with him. His friend Lance (Anthony Edwards), studying in California, sends Gibb a photograph of a fantasy. Gibb is a hiker with a body like a mortal sin. "This is the ugliest girl in California," he scribbles on the back. When Lance suggests that Gibb visit him during the Christmas holidays, Gibb is more than enthusiastic.

With little money and high hopes, Gibb gets a ride to the west coast with a mysteriously dull couple. The other pas-

senger, Alice (Daphne Strain), rejects his advances, and the two of them wander across America—until their dreamer gets them stranded on the highway. Alice maps out her days in a little schedule book and she takes great offense when the bubbly Gibb suggests that she is repressed. "Spontaneity has a time and a place," says Alice. She insists that she has had some exciting moments in her life, citing the time when she fainted at Graceland while touring Elton Presley's house. Left to fend for themselves on the open road, Alice and Gibb grow to know each other more intimately. By the time they reach California, they are hopelessly in love.

The two unknowns who play Gibb and Alice will not ensure that they stay long. As the ebullient Gibb, Cusack has the comical grace of a young Cary Grant and the affable features of the fellow next door. In his hands, Gibb's live-wire personality never becomes too shrill. And as the almost-evil Alice, Strain has the right measure of sensuality, reticence and naivete.

Bob Reiner, who directed last year's side-splittingly funny *Swing*, puts *This Is Spinal Tap* more underlines the reality of Gibb's and Alice's plight in favor of an easy laugh. Working from a superb script by Steven L. Rosen and Jonathan Roberts, he keeps the movie's fun flowing along smoothly, even parody or belabored. *The Sure Thing* is a joyride. —LAWRENCE O'TOOLE

## A child's tale of aggression

THE DOG WHO STOPPED THE WAR  
Directed by André Melançon

In a jaded world, it is refreshing that the winner of the 1988 Golden Bear Award for the year's top-grossing Canadian film focuses on a working-class fight and features just one shy loss. *The Dog Who Stopped the War*, a charming film from Quebec, adorns that success in its home province, where it was known as *La Guerre des Troupes Noies*, as the dubbed version of the film crosses the country, director André Melançon's skilful blending of lyrical adventure story with subtle reflections on human conflict should make *The Dog Who Stopped the War* a national hit.

Set in a small town, the film deals with two rival gangs of public school children who play war in the snow during their Christmas holidays. On one side is the notorious Luke (Dafne Juarez), a natural leader to whom most of the boys are drawn. Facing them is a motley handful of less passionate children, including the gentle Mark (Julien Bilal), owner of a hunchback friend named called Coo.

Initially, the match seems to be no contest. But the new kid in town, Sophie (Marguerite Arsenault-Dumont), joins Mark's gang and in true Jose of Arc style leads them to some unexpected conquests. The film is remarkable in that it avoids social stereotyping to a great degree, granting dignity and love younger sister. Frances (Nathalie Gagnon), as much loveliness freedom and still as any of the boys. At the same time, Arsenault-Dumont gives a particularly fine performance as a girl looking on the edge of young womanhood, occasionally regarding the other's antagonism with an air of feistive reserve. When the falls step in love with Mark, their friendship suggests a twist. The film is a mix of myth and reality. Their budding romance—and a tragic accident involving the dog, Coo—gives the film an undertone of seriousness that transforms it into a timely parable about the nature of war.

There is much more in the film that is inspiring, including the superbly understated and *Robert Carlin's* script. In fact, the English version has only one major flaw: the poorly synchronized English-Canadian voices emerging from the children, who are so obviously Québécois, are extremely aggravating. Still, the subtle characters and the movie's fun flowing along smoothly, even parody or belabored. *The Dog Who Stopped the War* is a minor but endearing Canadian classic. —JOHN BENTON

## Rosy dreams and disillusion

THE PURPLE ROSE OF CAIRO  
Directed by Woody Allen

In his splendidly designed new film, *The Purple Rose of Cairo*, Woody Allen has created a brilliant and bittersweet distillation of movie fantasy and romance. Set in a small New Jersey town during the Depression, *The Purple Rose of Cairo* taps with the delicate

1930s comedy cast of an heiress, a countess, two married women in black ties and an immense black maid named Delilah—begins to screen and worry because the story cannot go on without Tom. Although fascinated by the chaos on the screen, the patrons at the Jewel demand their money back. Suddenly everyone, especially the moviegoers, begins to worry because a fictional character is on



Farrow, Daniels: a difference of romance in the roles beyond the silver screen

division between illusion and reality. Cecilia (Mia Farrow), who works as a waitress to support her lay and cruel husband (Dennis Quaid), finds refuge every evening at the Jewel theatre. Movies are her salvation; they keep her and her husband from seeing each other. After watching a sophisticated comedy called *The Purple Rose of Cairo* several times, Cecilia and the rest of the audience are astonished as the matinee idol Tom Baxter (Jeff Daniels) comes right out of the screen and walks toward her. Amazed, watching the real *Purple Rose of Cairo*—the Woody Allen one, that is—will be equally astonished.

Tom takes the pleasantly dumb Cecilia to his deserted apartment park, where he tells her he has been watching her from the screen and that he loves her. Back at the Jewel, his without comes as surprise. The other characters in the fictional *Purple Rose of Cairo*—the typical

the loose. But no one is more upset than GP Shepherd, the actor who has replaced Tom, who fears his creation will do something to wreck his career.

Cecilia is drawn to Tom: it is the same guy she is drawn to the fantasy that most attracted her. "But we're not real," she tells him. When he reminds her with a kiss, he becomes extremely real, until he asks, "Where's the future?" All his love scenes had faded into being. Fictional, Tom does not understand a great many things about the real world. In a desperate attempt to get Tom to go back into the screen, GP pursues Cecilia and tells Tom, "You can't leave to be real; it's like learning to be a magnet." It is out of *The Purple Rose of Cairo*, all is not what it seems, and so tell me would spoil any audience's forthcoming pleasure, except to say that Tom does take Cecilia back into the movie with him for a magical

whorled night in New York. That sequence, with its montage of Oscar and Tom walking through a wonderland of Art Deco space, is utterly dazzling. Physically, the film is a marvel of composition. Allen's longtime cinematographer, Gordon Willis, provides the kind of lighting for the real-life depression scenes that evokes the cinematic darkness of a blanket of dark seems to have fallen over the film. And he has shot the fictional 1930s *Purple Rose of Cairo* in the purest tones of an actual film from the period. But as is *John* where he perfectly matched Allen's dialogue with documentary footage of the 1930s, the technical wizardry always serves the dramatic thrust of the material rather than draw too much attention to itself.

*The Purple Rose of Cairo* is the epitome of what Woody Allen has become as a film-maker: original, daring, witty and, ultimately, only charming. Farrow imbues the ordinary Cecilia with an extraordinary quality of subtext when the fantasy of the movie kidnaps her. And Daniels brings Tom and Old, both wiser than Wis, eventually down to earth. The two actors meet on some wonderfully ineffable plane of romance. Together they perform a sad, intricate little dance that audiences will always remember with fond regard. —LO'Y

## MACLEAN'S BESTSELLER LIST

- 1 *Flintstone*
- 2 *It Takes Three*, Michael (1)
- 3 *The Shillars*, Penn (1)
- 4 *The Talker*, King and Strunk (1)
- 5 *Strong Medicine*, Neely (1)
- 6 *The Fourth Protocol*, Forsyth (1)
- 7 *So long, thanks for all the fish*, Adams (1)
- 8 *Shut Out*, Mitchell (1)
- 9 *First Among Equals*, Archer (1)
- 10 *The Backlist*, Gates (1)
- 11 *Not Wanted on the Voyage*, Fleming (1)

- Nonfiction
- 1 *Isaac's*, Isaac and Nussli (1)
  - 2 *Clifford*, Dunsen (1)
  - 3 *What They Don't Teach You at Harvard Business School*, McGraw-Hill (1)
  - 4 *The Traders*, Inside Canada's Stock Markets, Ross (1)
  - 5 *Leaving Each Other*, Thompson (1)
  - 6 *The President Land*, Brown (1)
  - 7 *A Day in the Life of Canada*, Edited by Cohen (1)
  - 8 *Sea of Cortez*, Underhill (1)
  - 9 *Bringing out the Moon*, Sherraden (1)
  - 10 *The Year, A Book of the Year*, Williams (1)

(1) Fiction list week

# The crocks will never surrender

By Allan Potheringham

There has been a lot of guff being heaped on our youth. This is not surprising, actually, since the lovers of conservatism in our society are controlled by adults. Being adults, they are experienced in piffle. The kids are told this is the age of the Teenies, the young artists and actors who are to inherit the earth. The Baby Boomers are supposed to be the most privileged generation ever to come down the pike. The world is their oyster, most of it deep-fried with a little cocaine on the side.

Thus, if you look around you, in our world, the world is being run (managed is a better word) by the geriatric generation. Ronald Reagan, who falls asleep during his own cabinet meetings, can blow us all to smithereens with one side command. Meanwhile, the chips on the other side keep picking leaders who expire rather quickly. Recently, a stuffed personage labelled Chernomako has been paraded on Soviet television ostentatiously voting in a Moscow election, in an effort to convince a doubting world that the poor chimp is still alive. Radio observers have pointed out that the TV version of the speech bore no resemblance to the pealing bludge in Mr Chernomako's neighborhood. Never mind. When we're dealing in high-level piffle, everything is permissible.

The Soviets have got themselves into a box. As Henry Kissinger has pointed out, you cannot really run a society successfully when the only way to pick a leader is to wait until the last one dies. That way lies stagnation, and that is what the Soviet Union has got.

We are presented with a nice example in Quebec, where the present leader, clearly exhausted both physically and intellectually, persists in hanging on to power, even to the death of the successor he has repudiated. All the while the power is being passed to the young, the young are being suppressed, and, as a result, Pierre More Johnson would stand a very good chance of moving the Parti Québécois against Robert Bourassa's Liberalism. Allan Potheringham is a columnist for Southern News.

Johnson, the son of the Union Nationale Premier Daniel Johnson (Brian Mulroney's hero) has the advantage of that double-barrelled name, a francophone with an anglophone surname. Most important, he would destroy immediately Bourassa's image—a younger, more vigorous man to replace a differing, confused Lévesque. Johnson, as the new leader, would suddenly be the new face Bourassa the familiar retired.

But Lévesque refuses to step down, the perks of power too alluring. John Turner would understand. Pierre Trudeau hangs on too long, until the public

laughed continues to run Alberta, despite the mounting rumors that he wants to stand in moving lines of cocktail parties at the next Canadian ambassador to the United States. Mr Mulroney has appointed, as the new dynamic defense minister to replace the much-travelled Bob Coates, the 61-year-old Erik Nielsen, who will find things cooperative with his fire-breathing American counterpart, Casper Weinberger ("Raze you to the red line, Cap!").

The population is not getting younger. It is getting older. Any actuary can tell you that, thanks to modern science and modern medicine, the main problem for government will be providing for people who are living longer. The aspect of Grey Power is already apparent, as the facts show. The reason Ronald Reagan is so popular is that he has something like the idea of a 76-year-old general who is out there chopping wood.

We have the example of Tina Turner, who, although it is all too rarely has more action on the matter than that, cleaning up in the Grammy Awards. She is joined in this league by such as Raquel Welch, Jane Fonda, Shirley MacLaine, Sigourney Weaver and Jane Collins. The best and most lively thing I have seen on the stage recently is Lena Horne, who will never see 60 again and who marries and presents her way across the boards in a manner that would terrify the stuffiest young Miss America contestants.

We're not really sure what Lenin had in mind, but it can be assumed that it did not include creating the fate of the revolution to emphasize and older advances of the aged. One feels that Washington and Jefferson and the others did not envisage a man whose major love is a teleprompter would be hanging on his second term as president at the age of 78.

One does not wish to denigrate the Baby Boomers, but so privileged class in history has not yet experienced great up-powers—from the First colonizers, to the slave-owners of the South, to the West-mount Rhodesians, to the Central Canada bankers, to the male race. So hang on to your news and your life. The old folks are not giving up anything yet.



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